

PROBLEMS OF PEACE

FOURTH SERIES

LECTURES DELIVERED AT
THE GENEVA INSTITUTE OF
INTERNATIONAL RELATIONS.

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INTRODUCTION

THE fact that *Problems of Peace* now appears for the fourth time is in itself an introduction.

The test to apply to a series of this kind is not success but utility, and its continuance implies that it has been proved to serve a useful purpose. Demands for the earlier volumes from centres as remote as Tokio and Weltevreden are evidence that students of international affairs have found it of service.

Articles, papers, and books on international questions are legion. What distinguishes the contents of *Problems of Peace* is that it contains lectures delivered by authorities on their respective subjects in Geneva itself. This discussion of an international problem in Geneva, however individual or personal the outlook of the speaker, inevitably involves contact with a central and general point of view, and it is no doubt this fact which has made the lectures delivered at the Geneva Institute of International Relations of special value to students of international affairs who are precluded by distance from personal contact with the centres of international politics.

* * *

The origin and objects of the Institute have been described in introductions to the previous volumes. For the benefit of readers who make their first acquaintance with this series in the present volume, it may be convenient to indicate that the Geneva Institute of International Relations is an organization in which the British League of Nations Union and the

American League of Nations Association co-operate in order to give students of international affairs an opportunity to meet in Geneva for the discussion of international questions. Speakers are chosen by the Committee of the Institute, and the endeavour is to secure both professors and publicists who are recognized authorities on international affairs, and eminent officials connected with the League administration who have personal experience of the operation of the new international machinery.

The lectures in the present volume, and the contents of previous volumes (see appendix) will afford a sufficient indication of the standard and nature of the contributions made.

It should be added that the Institute had no thesis to expound and no view-point to defend. Speakers are left free to express their individual views. The Institute must therefore not be taken as concurring in any of the opinions or criticisms which the following pages contain.

* * *

The lectures which are printed this year are fewer in number than those which have appeared in previous volumes. It will be realized that it is by no means easy to organize the kind of programme at which the Institute aims and that the pressure of official and other engagements may sometimes interfere with the written contributions which speakers are asked to furnish for the published proceedings. Those which it has been possible to include do, it is believed, fully maintain

the standard which has already been set, and constitute, it is hoped, a real contribution to international studies.

* * *

There is one omission, however, which will be the occasion of widespread regret, and which will recall a loss, felt not only by the Institute but by all who are concerned with international studies or international administration. The programme of the Institute for 1929 included an address by Mr. H. A. Grimshaw on 'Present Day Utilization of Native Labour: Criticism and Suggestion'. No single authority would have been better equipped to deal with a subject which is steadily becoming of greater interest and importance. As chief of the Native Labour Section of the International Labour Office and as a Member of the Mandates Commission, Mr. Grimshaw had been individually responsible for much of the constructive thinking on the problem of native labour which has been so admirable a feature of the League's recent activities. In the summer of 1929 he returned to Geneva after a lengthy visit to the Dutch East Indies and to East and South Africa. Personal investigation of the conditions of native labour had enriched the great store of knowledge which he already possessed of native conditions, but it had been purchased at the cost of a strain on a constitution none too robust. Nevertheless, a sense of duty and responsibility led him to spend himself without stint in the long session of the International Labour Conference which had under consideration his report on Forced Labour, and in the Mandates

Commission which met immediately afterwards. Within a few days he had succumbed to the illness he had no longer strength to combat.

The Council of the League of Nations, the Governing Body of the International Labour Office, and the Mandates Commission have placed on record their appreciation of his remarkable services. In this introduction it is not possible to attempt to estimate how great those services were in which knowledge, judgement, understanding, and sympathy were uniquely combined. But those members of the Institute who knew and appreciated his worth and the value of his constructive effort will desire that a tribute should be paid to his memory in this volume, from which his contribution is so unhappily absent.

THE EDITOR.

Particulars of the Meeting of the Geneva Institute of Internationals for 1930 can be obtained from:

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SECTION I
THE PROBLEM OF MECHANISM

CHAPTER I

THE NATURE AND WORKING OF THE LEAGUE
OF NATIONS

i. Perspective.

Mr. ZILLIACUS:

IN approaching the subject of what the League of Nations is and what part it plays in the world to-day and may be expected to play to-morrow, it is first of all necessary to get the right historical perspective. (To most people the League appears as a brief and not very effective experiment, an innovation launched at the Paris Peace Conference ten years ago, against a background of immemorial and immutable realities summed up in the conception of the sovereign State and the supremacy of the State's right to self-preservation. This conception of course leaves no room for the idea of the common interest of mankind overriding the interests of individual States.) From the point of view of this conception too the international anarchy that prevailed before the war, the race in armaments, and the idea of war as an inevitable and recurring phenomenon follow inevitably.

But if we are to get closer to the realities of the situation we must acquire a longer and truer perspective.

The truth is that the international order and international law of 1913 were less than 300 years old. The State system we know dates back only to the peace of Westphalia of 1648. At this Peace Conference the equal right of all States, whether great or small, Catholic or Protestant, to existence and inde-

pendence was recognized, as also the virtual sovereignty of the princes and cities in the Holy Roman Empire; the practice of establishing permanent legations in each other's capitals was inaugurated at the Conference.

The idea of the whole of mankind as one society is far more ancient than the conception which we in 1913 regarded as immemorial and which in fact is only about 280 years old. Savage tribes often call themselves by names which mean that they are 'The People' and the rest mere outcasts and barbarians. The ancient empires in Egypt, Mesopotamia, and China thought they were alone in the world. Greece and Rome in their heyday looked upon themselves as the sole repositories of civilization and order, and such other portions of mankind as they knew as mere barbarians. The wellnigh universal and immemorial tradition of mankind has been that the human race was or should be organized in one society. In days gone by unity was thought of in terms of domination, for democracy and the co-operation of equals are modern conceptions. But the concept of unity is ancient and fundamental, and the tradition of unity lingered on in the idea of 'natural law' and was the main reason why Grotius, the father of international law, devoted so much of his epoch-making work to attempts to determine when war was permitted. It seemed to him obvious that States formed one community and so that no State could make war at will. Grotius' successors imitated his example in devoting a great deal of time to elaborating the laws of war, but they soon lost sight of the idea that the object of this was to determine when war was permissible—as the concept of sovereignty was developed, the logical conclusion was drawn that States were entitled to make war for any reason they pleased, and that the so-called laws of war were consequently solely concerned with the way in which

war was conducted. The community of nations became a fiction, and the relations between States were aptly described by the phrase 'international anarchy'.

It is important then to remember at the outset how recent is the origin of the pre-war international order or anarchy. As Hall, one of our leading authorities on international law, puts it:

'The absolute independence of states, though inseparable from international law in the shape which it has received, is not only unnecessary to the conception of a legal relation between communities independent with respect to each other, but, at the very least, fits in less readily with that conception than does dependence on a common superior. If indeed a law had been formed upon the basis of the ideas prevalent during the Middle Ages, the notion of the absolute independence of states would have been excluded from it.'

The same fact is noted by Professor Brierly, another of our leading jurists, who says:

'States are not logical constructions, but the products of an historical process, of which we can trace the main outlines; and, like all historical conceptions, the conception of a state is always changing. We can, for instance, trace the very process by which the so-called fundamental rights of independence and equality came to be regarded as qualities of states; we know that not only these ideas, but the very facts in international relations out of which they spring, are modern, that mediaeval states were not independent, and that they were not equal to one another in theory or fact. There can hardly, therefore, be anything fundamental—that is to say, anything that is inherent in the very nature of a state as such—in qualities that actually did not belong to states until comparatively recent times.'¹

¹ *The British Yearbook of International Law* for 1926.

The fact that the 1913 order of things goes back less than 300 years becomes the more significant when we realize that there has been more change in the structure of society and man's relations to the world in which he lives in the last 100 years than in the previous 300. The last century has seen an enormous and accelerating advance in our control over the powers of nature, with resultant tremendous modifications in our way of life and thence of our social, political, and economic arrangements.

The next fifty years will see still greater and more rapid changes.

The true perspective which we should have in mind when approaching the subject of the League of Nations is therefore that the international anarchy of 1913, so far from being immutable and immemorial, was a brief interlude in the history of civilization, a phase in the progress of mankind, and that this interlude has occurred during a period of immense and growing change that has already profoundly modified the internal structure of States and is eventually bound equally profoundly to modify their relations. (The League of Nations is the first struggling attempt to return to the ancient and universal tradition of the unity of mankind, and to give effect in the relations between States to the new forces that are changing the structure of society.)

ii. *Background.*

With this perspective then firmly established in our minds, let us examine the background out of which the League arose. This background was the nineteenth and the first years of the twentieth century, a period which on the one hand saw the heyday of the theory of sovereignty, and on the other the growth of material and cultural interdependence

between nations due to the application of science. Science—that is, organized and cumulative human knowledge—is perhaps the one new thing under the sun, and has effected a revolution in human life, for it has transformed not only our way of living but our views on life itself. Science as applied through the industrial and mechanical revolutions has rapidly built up a world in which no nation can stand alone and most are dependent for the commonest necessities of daily life—bread, meat, clothes, the tools with which we work, and the houses in which we live—on products drawn and exchanged from every quarter of the world. The multiplication of the world's population in the last two centuries, the transformation of the economic and cultural relations between States brought about by the steam and petrol engine and the uses of electricity, by the invention of the steamship, railway engine, motor-car, telegraph, telephone, aeroplane, and wireless are so obvious as to need no comment beyond the fact that we are as yet only at the very threshold of the gigantic and accelerating changes in human life foreshadowed by this conquest of the powers of nature by the spirit of man.

One effect of the growing interdependence of nations and the development of easy and rapid means of communication was that international conferences began to assume an important part in the regulation of relations between States: it became increasingly difficult to treat any question as affecting only one or two nations, while personal discussions between responsible ministers began to seem preferable as a method to the exchange of diplomatic notes. According to a calculation made by Senator Lafontaine, appearing in a book called *The League of Nations Starts* (published in 1920), the number of international conferences roughly doubled in every decade from 1843. Between 1843–53 there were nine conferences;

1853-63 twenty; 1863-73 forty-four, and so on until you come to the hectic post-war years, when, as you know, it is scarcely possible to pick up a newspaper without finding at least one or two international conferences or meetings in session or being prepared. As conferences increased in number they began to specialize according to the purpose for which they were held. Thus there were conferences of technical experts to deal with matters of common concern, and these at an early stage gave rise to conventions which in turn provided for some form of bureau or other permanent machinery to watch over the execution of the decisions taken by the conference on the basis of the provisions of the convention concerned. The best known of these public international unions, as they came to be called, is the Universal Postal Union; the earliest was the International Telegraphic Union, and other examples are the International Institute of Agriculture in Rome and the International Public Health Office in Paris. Some hundreds of these organizations were in existence before the war, with a very wide range of powers and objectives, some of them private, some semi-private, and others official inter-State organizations.

At the very beginning of the nineteenth century a first experiment was made in preserving peace by a political conference of governments. This experiment, which under the name of the Holy Alliance has since become a synonym for reaction and obscurantism, failed because it was conducted by a few autocratic great powers who considered it their mission to combat nationalism and democracy throughout Europe—that is, who set themselves athwart the very forces that were then in the ascendant and which are still triumphantly marching eastward through Europe and Asia. But one result of this failure lingered on in the tradition that disturbances

to peace should not be treated as solely affecting the two potential belligerents, since the outbreak of war causes grave injury to the interests of the whole community of nations, however neutral they may be. Consequently it became the practice of the great powers, calling themselves the Concert of Europe, to insist upon some form of mediation and discussion whenever war threatened, at any rate in Europe. The Concert of Europe indeed became a sort of quasi-institution, and was referred to, for instance, by Lord Salisbury as an embryonic European legislature.

As regards the peaceful settlement of disputes, the nineteenth and early twentieth centuries saw a considerable development and clarification of the various methods of peaceful settlement—negotiation, conciliation, mediation, and arbitration. These methods were elaborated and codified in the conventions drawn up by The Hague Peace Conferences of 1899 and 1907. The best-known convention is that on arbitration, which provided for a panel of arbiters nominated by the States signatories with a permanent office at The Hague. States having a dispute were entitled to select a tribunal from this panel, which was hopefully but somewhat inappropriately entitled the Permanent Court of Arbitration at The Hague.

So then, as Mr. Leonard Woolf has put it in his remarkable book *International Government*, first appearing in 1916:

‘A vague protoplasmic international authority . . . made its appearance in the nineteenth century; a primitive organism with two rudimentary organs, one consisting of judicial tribunals and the other of conferences of representatives.’

If we add to this summary description the public international unions just described, we get a set of nascent international institutions which between them form the beginnings

and first signs of what was afterwards to grow into the League of Nations. But practically no statesman and no important element in any country realized in the least the significance of these new developments under the surface. They seemed to the practical men of those days merely sporadic bits of machinery improvised to deal with some immediate and limited necessity, in no way affecting the view of international relations on which the world was conducted. The doctrines of sovereignty and traditions of nationalism persisted in all their glory, and, as they were no longer in accordance with the realities of world civilization, became a misfit. In the last analysis the war was the result of a gigantic discrepancy between what people believed about the world and what the world was really like. The consequence was that all the most highly civilized nations plunged into a war that none of them wanted, but which to all of them appeared inevitable, and fought for four long years with tragic heroism and a blind stubborn bitterness until one side collapsed from sheer exhaustion, in the ruins of what we had once been proud to call western civilization.

iii. *The World War.*

In our historical perspective, and against the background of the nineteenth and early twentieth centuries, the war appears as a huge collapse, a dreadful failure, a disgrace to civilization, and wellnigh the only good thing that came out of the war was the revolt against the traditions that bred it. We may not all of us know what is right for the world to-day, but there is at least one fact on which all realists can agree, and that is that the world war is the final condemnation of the philosophy of international relations, the inter-State anarchy and competition in armaments, out of which it grew.

Whatever else may be right, at least pre-war orthodoxy in foreign relations is certainly wrong, and sovereignty and nationalism and all their works, in the sense in which they were understood before the war, have proved themselves as disastrous in practice as they were immoral and paradoxical in theory. Very general assent can now be secured to these propositions, but, as so often happens in human affairs, we are now troubled with the people who want to have it both ways: who will the end—world peace—but cannot bear to will the means, if, as their reason tells them, these means involve a wholesale scrapping of what was deemed most respectable and authoritative in pre-war political and social doctrines.

iv. *The Peace Conference.*

During the war the idea of banding the civilized nations together in a pledge to co-operate in keeping the peace took root and spread in many countries. It would take too long to trace the origins of this movement, which went back long before the war and was particularly strong in the policy of the British Liberal Government and President Wilson. And the idea of a League of Nations is nothing if not old and universal; hardly any civilized country but can point in its history to some exponent. It is enough here to say that in the form which the Covenant took at the Peace Conference it largely represented Anglo-American ideas, and was indeed based on a series of British and American drafts. That is to say, it represented the *solvitur ambulando* approach to the problem of constitution-making. The Covenant lays stress on the creating of institutions and the pledging of States to work these institutions, but does not try to lay down the lines on which these institutions shall develop, but leaves the statesmen of the future the fullest freedom to work out their

salvation as seems best to them with the help of the machinery established at the Peace Conference.

v. *The Covenant.*

The League of Nations may briefly be described as the result of linking together the old idea of universality with the new necessities of interdependence. The main fact about the Covenant is that there is practically nothing new in it. It revives the idea of universality which, as we have seen, is the ancient tradition from which humanity departed only for a short period. It systematizes the method of conferences as a way of conducting international relations, and, as we have seen, that method was forcing itself upon the world ever since the middle of the last century. Obviously, if the method of conferences is to be put into a system there must be ways to prepare the work of conferences and machinery to follow up and carry out their decisions. How old everything in the Covenant is was brought out rather strikingly in the first words of the Report of the Phillimore Committee, the body appointed by the British Government during the war, whose report and draft were the basis for all the subsequent drafts that were used in framing the Covenant. The Phillimore Committee begins its report by saying:

‘We have held nine meetings, in which our attention has been directed mainly to the various proposals for a League of Nations which were formulated in the sixteenth and seventeenth centuries and to those which have been put forward since the recent revival of the movement.’

Ray Stannard Baker, in his book on *Woodrow Wilson and World Settlement*, says:

‘Practically nothing—not a single idea—in the Covenant of the League was original with the President. His relation to it was

mainly that of editor or compiler, selecting or rejecting, reclassing or combining the projects that came to him from other sources. . . . 'All the brick and timber of the structure was old—as old as the Articles of Confederation and the Constitution—older by far!'

The Assembly and Council of the League indeed derive pretty directly from the conference of governments the so-called embryonic legislature of Europe known as the 'Concert of Europe'. The Permanent Court represents the culmination of the work begun in The Hague Peace Conferences and perforce left unfinished. The technical organizations and advisory committees of the League in some cases have absorbed, and in most cases are more or less closely associated with, the public international unions that grew up before the war in order to provide machinery for co-operation on matters of international concern.

The first and fundamental idea of the Covenant is that war must never again be sprung on the world—the war of 1914 came because every one was prepared for war and the guns went off at the drop of the hat, whereas the peace forces, although powerful, were unorganized and could not be brought to bear in time. Therefore the civilized nations should pledge themselves to meet in conference the moment there is a threat to peace, and should further pledge themselves to observe a period of delay during which the cause of the conflict could be thoroughly ventilated and time given for all countries to realize the disastrous results of resorting to arms. This obligation to delay and discuss was considered so fundamental that States pledged themselves in the Covenant to take joint action against a country violating it by resort to war. In working out the details it was stipulated that either party to a dispute might summon the other before the Conference for discussion and report, but if both parties

agreed they might instead resort to arbitration. All the members of the League were pledged to coerce into restoring peace any State that resorted to war either in defiance of the obligation to delay and discuss, or against a State accepting an arbitral award or a report by the Conference. Reduction of armaments was regarded as necessary to the maintenance of peace.

The second idea, associated with the name of General Smuts, was that the forces making for peace or war must be gripped at an earlier stage than that of a dispute if the League were to be effective as a medium through which international relations were conducted. Therefore, the Covenant devotes three articles to day-to-day co-operation on matters of common concern and to the function of trusteeship over backward peoples, known as mandates.

In the third place, as the Covenant was discussed, the early drafts became elaborated—the original political Conference was divided up into an Assembly and Council under pressure of the small States; Article 14, providing for the establishment of a real international court, was added under the pressure of the ex-neutrals; and throughout all the drafts the idea of a Secretariat to prepare conferences, carry out their decisions, and generally to act as the civil service of the whole League had been accepted, and may be looked upon as largely a result of war-time experience in inter-allied administration.

vi. *The Organization and Working of the League.*

The League of Nations now numbers 54 States members. Any fully self-governing State is eligible for membership, whether or not it is technically sovereign in international law. The most important States not members are the United

States, the Union of Socialist Soviet Republics, Brazil, Mexico, and Turkey.¹

The chief League conferences are the Assembly and Council. The Assembly meets once a year, contains all the States Members, each with one vote and up to three delegates, votes the budget, elects nine out of fourteen members of the Council, admits new members, and adopts amendments to the Covenant. It reviews the work of the previous year, and lays down the general lines on which work is to proceed in the coming year. The Council meets three times a year, is the body that deals with political disputes and threats to peace, and supervises the work of the advisory and technical committees on the lines laid down by the Assembly. The advisory committees, administrative bodies, and technical organizations do the day-to-day routine work on the basis of the Assembly's decisions and under the guidance of the Council.

The main function of the League is to keep the peace of the world. This function may be subdivided into getting disputes settled peacefully, with the various kinds of machinery set up for this purpose and the obligation to coerce a State resorting to war into restoring peace; the obligation to reduce armaments; supervision over the international compromises established in areas where political, economic, and ethnic frontiers fail to coincide, such as the Saar Governing Commission, the Danzig High Commissioner, the mandates system, and the régime of the minorities treaties; the general effect of the existence and working of the League—the habits of co-operation and mutual confidence engendered by day-to-day work on matters of common concern, the frequent

¹ Iraq and Egypt are not members, but expect to enter within the next few years.

and intimate personal contacts established during League conferences, and the gradual growth of a public opinion which expects its government to act as a loyal member of the League and feels that it gains prestige by so doing, are all part of the general effect of the League's existence. Something like a world-loyalty transcending political frontiers and imposing certain rules of conduct on all governments is growing up—infinately slowly and painfully, but indubitably growing.

As the League is an association of independent States it has to proceed, as a general rule, by unanimous compromises instead of majorities voting down minorities. Indeed, quite apart from rules, it is wellnigh impossible in any important piece of work to carry out what has been decided without the active co-operation of at least all the more important members of the League. Nevertheless, there are a number of exceptions to the unanimity rule, which in any case applies virtually only to the Assembly and Council; practically all the advisory committees, technical organizations, &c., are constitutionally empowered to proceed by majorities, either a mere majority or a two-thirds. And even where the unanimity rule applies, in the Assembly and Council, the tradition is growing up, in some cases so strong as to amount to a gentlemen's agreement, that minorities should yield gracefully to the majority view. Of course on very important issues of principle the veto power may be used, or at least threatened, in the negotiations leading up to final agreement. But, on the whole, League practice is tending to arrive at decisions to act by thorough all-round discussion, in which in the last analysis small minorities agree to abandon their view and co-operate actively on the lines desired by the overwhelming majority.

A rough analogy to bring out the working of the whole

system would be to compare the Assembly to a fly-wheel regulating the momentum of the whole machine; the Council to a steering-wheel guiding its progress; the advisory committees and technical organizations to cylinders and pistons working away steadily; the Saar, Danzig, minorities, and mandates compromises to shock-absorbers; the Secretariat to a crank-shaft connecting the different parts of the machine and making the wheels go round. The governments, if you will, may be likened to owner-drivers, and the petrol which produces the driving power for the whole machine is public opinion.

vii. *The Development of the League.*

During the last nine years public opinion has become more intelligent and more resolute. At first it tended to look upon the League as some kind of committee or institute functioning independently on the shores of Lake Geneva, and to blame it for the sins of omission and commission of any or all of its members. Now there is a growing tendency to *cherchez le gouvernement* just as people used to *cherchez la femme* when anything went wrong. As a result it is becoming difficult for any government, even if it wished, to ignore its obligations under the Covenant. I was much struck, for instance, by a comment in a recent article by Mr. Norman Angell, M.P., to the effect that whereas before the war a cheap way to popularity was to strike the jingo note, to preach imperialism, or to shout 'we want eight and we wont wait' or something of that sort, it had been almost as much as a political candidate's life was worth in the last British election to refuse to be in favour of the Optional Clause or to say he was not a believer in the League. We must not, of course, exaggerate—these are only small beginnings as yet, and they bring with them a whole set

of new dangers and difficulties; lip-service and hypocrisy are more insidious enemies to the things the League stands for than frank hostility or blank ignorance. Nevertheless, things are moving. One result of more general and intelligent interest in the League is that it has been possible to secure increasing co-operation between the League and non-member States, who realize that they have the same objects as those to which the members of the League are pledged, and that there is no special shame or stigma attached to using League machinery to co-operate for the attainment of those objects. During these years, too, the technical work of the League has been 'getting home'. That is, whereas such questions as controlling the traffic in opium and dangerous drugs, stamping out the traffic in women and children, the economic and financial work of the League, and the attempt to reduce armaments began with technical discussions that seemed very remote and abstract and attracted no attention, we are now getting to the stage on these matters where governments are faced with the necessity to act, where public opinion is getting roused, and where it is seen that the next step lies through combating vested interests and crushing the resistance of organized minorities. These matters, which were hardly international problems a few years ago, are now not only international questions with which public opinion is familiar, but have become burning domestic issues in most civilized countries. Here again we must not exaggerate—I am pointing to a tendency and you must put in all the qualifications and limiting factors.

In the settlement of disputes the last few years have witnessed a steady development of the authority and prestige of the Council—its ways of handling disputes by means of rapporteurs, fact-finding commissions on the spot, requests for

advisory opinions from the Court, &c., the recognition of the acting President as continuing to function between sessions and acting as a sort of permanent nucleus of the Council, the elaboration of the rights of the Council to enjoin peace-keeping measures in a crisis under Article 11 of the Covenant, and the explicit recognition of these rights in the so-called Model Treaty for strengthening the means to prevent war—the growth of a number of local arbitration and conciliation treaties, the rapid extension of the compulsory jurisdiction of the Court, and finally the adoption and coming into force of the comprehensive treaty for conciliation, compulsory judicial settlement and all-in arbitration known as the General Act. The extent of the ground covered in the nine years of the League's existence has surely exceeded the fondest hopes of the framers of the Covenant, and would have been regarded as wildly Utopian if it had been suggested in 1913.

The wisdom and strength of the Covenant and the far-reaching nature of its provisions are being increasingly recognized by governments and public opinion, and contributing to a sense of security and confidence in international relations. A number of local arrangements, of which the best known are the Locarno treaties, have been built on the Covenant. The League has recommended to its members a number of model treaties of non-aggression and mutual assistance against aggression. The Kellogg Peace Pact has been interpreted as ruling out recourse to war even in the one case—three months after the failure of the Council to reach unanimity, excluding the parties, on its recommendation for solving a dispute—where a State may resort to war under the Covenant without becoming liable to sanctions. That is, we are on the eve of a development where war definitely becomes an international crime which civilized nations are pledged to

put down, instead of being the final arbiter in international disputes to which any State was entitled to resort.

viii. *The Nature and Future of the League.*

Lawyers are still quarrelling as to whether the League of Nations is to be regarded as a confederation or new form of association of States. At any rate they are agreed that it is a person or subject in international law in the sense which previously attached only to sovereign States. The effect of the League's existence on international law is indeed little less than revolutionary: (a) The Covenant has become the formal basis for an organized society of nations, for by Article XX of the Covenant its terms override all international obligations contracted by members of the League. That is, all treaties concluded by members of the League have to be consistent with the Covenant, and in fact a great many of them, particularly multi-lateral treaties, are explicitly based on some article of the Covenant or postulate the use of League machinery, or provide that in case of a dispute they have to be interpreted by the Court or are in some other way linked up with the new system of international relations. That is, a new and world-wide structure of society is gradually being built up, and this is giving a reality to international law which it never before possessed, for *ubi societas ibi jus est*.

(b) Thanks to the frequent conferences of the League and the speeding up through the League of the conclusion and ratification of international conventions, international law is being developed far more rapidly than ever before and penetrating into new fields. The League has also taken up the problem of the progressive codification of international law by the conclusion of multi-lateral conventions, declaring

what the law is on points where agreement has hitherto been lacking. To an increasing extent non-member States are becoming parties to League conventions, so that the law they establish, although technically recognized only by the parties, is in fact becoming wellnigh universal. Last, but not least, the decisions and ~~advisory opinions~~ of the Permanent Court are being quoted all over the world as the most authoritative exposition of what the law is, and as the Court freely refers to its own opinions and judgements as precedents, a body of case law is being built up. If effect is given to the proposal that the Court should be recognized as a court of appeal from arbitral tribunals when one party believes that the tribunal has exceeded its jurisdiction, this process will be accelerated.

(c) But not only has the League supplied a new basis for international law and hastened its development. It is a remarkable fact that since the war very little has been done on the so-called laws of war (practically nothing in fact except a revision of the Red Cross Convention concerning prisoners, sick and wounded) as compared with the vast volume of work done on the laws of peace. Within the League indeed the view has been deliberately followed that it is useless to attempt to legislate for what will happen after war breaks out—the business of the League is to prevent war ever happening, by the effective organization of peace.

(d) Lastly, and as a corollary, we are at last, through the League, getting an effective abolition of the right to go to war. By effective abolition I mean that recourse to war is being declared a crime in international law, that States are being pledged at least to cut off all relations with a criminal State, and that a great deal is being done to obviate the arising of circumstances where this crime is likely to be committed, by elaborating the machinery of peaceful settlement and pledg-

ing States to resort to such machinery, by promoting economic and technical co-operation and, in a word, by gradually building up an organized world polity or commonwealth in which there is neither desire nor room for war, where in fact the old kind of anarchic sovereignty that included the right to go to war and preparation for war is gradually disappearing.

This, I think, is what the League means and the direction in which it is tending. Whether the future holds a world State or a condition of affairs in which men live without anything resembling what we know as the State is a problem that may be left to political philosophers. In conclusion, I would emphasize only that these tendencies represent little more than possibilities, that the forces of nationalism and obscurantism are still powerful, and that it is a toss-up whether we shall in fact realize the fair hopes that the League holds out or endure the destructive shock of another world war. After all, even the establishment of the United States of America did not prevent the Civil War breaking out after more than three-quarters of a century, and similarly even half a century of the development of the League into something incomparably more real and powerful than we can imagine may not save civilization from a fresh and awful disaster.

In the last resort, and after we have used every bit of knowledge we possess, we must act on faith. And in doing so I would commend to you the following words from H. G. Wells, as expressing the spirit in which we should act:

‘The Anglo-Saxon community in particular suffers from a delusion that afternoon meetings (with tea), small regular subscriptions to societies with noble intentions, the circulation of nicely printed reports, and a polite and deferential attitude towards all that is respected and influential in life, may be considered not merely as progressive activities, but as all that is

required in the way of progressive activities. This job calls for something much rougher and more fundamental. . . . A real world peace movement must be a revolutionary movement in politics, finance, industrialism, and the daily life alike. It is not a proposed change in certain formal aspects of life; it is a proposal to change the whole of life.'

SECTION II

THE PROBLEM OF DISPUTES

CHAPTER II

THE PEACEFUL SETTLEMENT OF ALL DISPUTES

i. *The Covenant and the Hague Precedents.*

M. HENRI ROLIN:

IN considering the problem of the pacific settlement of international disputes as it presents itself to-day, it is of interest to go back and to see how the problem was regarded when the Covenant was negotiated.

It was, after all, the supreme problem which had to be dealt with by the world's statesmen, when they met around the long table covered with green cloth in the front room of the Hôtel Crillon at Paris to draw up the Covenant of the League of Nations.

It might have been expected that the members of that Committee, when considering the question of the peaceable settlement of international disputes, would have taken up again the work begun at The Hague. This was not exactly the method they followed, but they undoubtedly had The Hague experiments in their mind. The problem was not quite the same.

You will remember that The Hague Conferences in 1899 and 1907 directed their activities to drafting a code of the laws of war, and made strenuous efforts to draw up a draft treaty for arbitration and to organize an international court of justice. In these meetings nobody even dared to express the hope that *every* dispute might be settled and war pre-

vented. Their aims were much more modest. They realized that civilization was steadily increasing and intensifying the relations between nations, and, as a consequence, the possibilities of international friction. Nobody could dream of settling every one of them by war, so one had to find a substitute for war. The method of arbitration had already a certain history, and examples of its successful application were fairly numerous. The Hague Conferences accordingly examined the possibility of making it obligatory for certain secondary categories of disputes, but they failed to come to an agreement even on those modest lines. Yet they made a useful and lasting contribution in drafting rules of procedure.

Was it possible to start again on the old lines? Mr. Lansing was inclined to do so, and also M. Léon Bourgeois, the glorious veteran of the old Hague Conferences, but they met with the opposition of both President Wilson and Lord Cecil.

The first reason of their attitude was of a moral character. War had made The Hague Conference very unpopular. Its most important work, the laws of war, were found to be either futile or were violated; and the Great War itself was a cruel answer to the hopes expressed at the foundation of the Peace Palace.

It did not seem safe for the credit of the new League to underline the connexion which might exist between the new institution and the previous efforts of diplomacy. There was another objection of a more technical character.

When the representatives at The Hague had discussed the peaceful settlement of international disputes, the disputes which they had in mind were minor disputes which, if not settled, did not include a direct threat of war, though they might poison the atmosphere.

The problem which confronted the statesmen at the Hôtel

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Crillon was a much vaster one. Not only had disputes of secondary importance to be dealt with, but a method of settlement had to be found for disputes of the highest importance—not only the *occasions* of war but the *causes* of war had to be removed.

Now what hope was there that the States, who in pre-war days had been unable to decide by general agreement to submit a single category of disputes to peaceful settlement, would be ready to expose to the risks of arbitration disputes concerning their most vital interests? At the time such a cession seemed to many not only impossible but unwise. Arbitration was considered as a legal procedure, yet it must be remembered that international law does not provide for a solution for every sort of dispute. Take, for example, the causes of the recent previous wars in Europe. In the case of the Franco-German war a German prince was asked to become King of Spain. The French Emperor opposed his veto in the name of the balance of power. Germany yielded, the German candidature was withdrawn, but the French were not satisfied with this concession. Take again the Balkan wars, which had all as their underlying cause the national aspirations of Serbs, Greeks, and Bulgarians living under Turkish sovereignty. Take again the Russo-Japanese war, which arose out of a conflict of interests in eastern China. There was no law which covered these cases. How could one ask the States concerned to accept the decision of some learned professors, eminent lawyers though they might be, with great knowledge of books but without experience of the conduct of international affairs?

Nevertheless, the task of the statesmen in the Hôtel Grillon was to find some method of peaceful settlement of disputes of this kind. Was the only method of peaceful

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settlement of such international disputes to be found in arbitration? They thought it was not. President Wilson in particular was of opinion that lawyers were not the right kind of people to settle disputes of this kind, and he once summarized his opinion in a reply to Professor Larnaud, who had been pressing the legal view, with the words : 'I also have been a lawyer, but I reformed.'

ii. *The System of the Covenant.*

The solution which these statesmen at Paris finally evolved is simply described. They kept arbitration for the minor disputes, but imagined for the more important ones what we now know as the *Council*.

Their idea was that responsible men from the bigger States and a certain number of representatives from the smaller States should be given the task of maintaining peace and of organizing defence in the case of aggression. This body was not, strictly speaking, to act as a judge. The machinery of arbitration existed side by side with it and might be called upon in minor cases.

Their conclusions are, in fact, formulated in Article 12 of the Covenant:

'The Members of the League agree that if there should arise between them any dispute likely to lead to a rupture they will submit the matter either to arbitration or to enquiry by the Council, and they agree in no case to resort to war until three months after the award by the arbitrators or the report by the Council.'

'In any case under this Article the award of the arbitrators shall be made within a reasonable time and the report of the Council shall be made within six months after the submission of the dispute.'

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The only progress realized with regard to arbitration is to be found in Article 14, whereby the Council was obliged to formulate plans for the establishment of a Permanent Court of International Justice. This was the only concession made to The Hague partisans. The Court was to be competent to hear and determine any dispute of an international character which the parties might submit to it; in fact its utility would clearly be confined to disputes of a legal character.

iii. *Criticisms against the Jurisdiction of the Council.*

For all the other cases the Council was the competent body.

This was the greatest novelty in the system. The Council had no real connexion with the old arbitrators. It is a body of a diplomatic character resembling the diplomatic Conferences which had been called together in Europe for the treatment of specific problems from time to time, e.g. the Conference held in London in 1913 under the chairmanship of Sir Edward Grey, in order to settle the Balkan problem on lines of general interest and under the moral if not the legal guarantee of the Great Powers.

The main function of the Council, like that of the diplomatic Conferences which were its forerunners, is conciliation, but the framers of the Covenant went a step further. This new conciliatory body, the Council, was set in a general framework of the League obligations. If the Council is unable to bring the disputing States to an agreement, but itself comes to a unanimous decision which one of the parties to the dispute does not accept, the Members of the League agree that they will not go to war with the party to the dispute which complies with the recommendation of the Council.

This means certainly a serious safeguard for the maintenance of peace. Yet one cannot deny that it is an imperfect one.

First of all, the authority even of a unanimous recommendation of the Council is limited. There is no obligation to accept it, and the Council is not bound to take measures in order to enforce its recommendations.

The system thus devised has another grave defect. The framers of the Covenant, in their respect for sovereignty, gave to the decisions of the Council the limited effect to which I have just referred in the single case where all the States not interested in the dispute were unanimous. In the case of a division of opinion between the Members of the Council there was to be no decision of the Council, but only a formal report, and, as a logical consequence implied in the principle of sovereignty which underlay the decisions of the Crillon Committee, the Covenant did not forbid the parties in that case to seek a decision by means of war, but only laid upon them the obligation to wait for a period of three months.

These are undoubtedly grave defects of the system which arose out of the Crillon discussions and which was embodied in the Covenant. Nevertheless, our criticism of it should not be unduly severe. The Council has in fact rendered services the importance of which it is difficult to exaggerate. Statesmen of different countries have given their time, their intelligence, their heart, in the endeavour to find a solution for disputes in which they had no direct interest, and they have very often succeeded. The official character of the representatives and the political importance of the States represented by them have in this connexion proved to be very useful.

iv. *Criticisms against the Political Character of the Council considered as a Judicial Body.*

Yet even that official character has led to another sort of criticism. It is urged that Members of the Council may sacrifice the legal merits of some claims or arguments to considerations of a purely political character. It is true that they have the possibility of securing an advisory opinion from the Court of International Justice, but there is no guarantee that they will in all cases resort to that consultation.

Let us consider what are the political considerations by which the Council might be moved.

In the first case, the Members of the Council might have a particular sympathy for one of the parties. I do not, of course, say that this really happens, and as a matter of fact my personal experience is to the contrary. But when disputes are under consideration by the Council the press of different countries has a habit of indicating that their representative's sympathies lie in one or other direction, without any consideration of the merits of the case. This fact tends to rob the Council of that measure of complete confidence which it might otherwise enjoy.

The second political consideration by which the Council might be guided we may call its desire for peace. It is no use blinking the fact that the most equitable solutions are not always those which will be most favourable to the maintenance of peace. In the case of a conflict between two States of different strength or of what I might call 'nervosity', the easiest solution, and the solution which gives the greatest guarantee of peace, may be that which gives satisfaction to the strongest or the most sensitive. For the same reason the Council may often be led to avoid bringing any dispute to a

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settlement and take refuge in a policy of continual postponement."

The third consequence of the political character of the Council may be described as the lack of international rules which govern its procedure. It is true that the Covenant gives the parties to a dispute the right to sit on the Council when the dispute is under consideration, but everybody knows that the real decisions are taken at informal meetings when the parties are not present. There are informal conversations, informal consultations of legal advisers, consultations which themselves follow no definite rules and which are often based on an incomplete documentation.

→ This kind of criticism helps to explain why States who are not permanent Members of the Council may not be enthusiastic in referring to it disputes which they consider to be of importance.

This is, in my view at all events, a partial explanation as to why, during the ten years' existence of the League, there has been a steady development of arbitral and judicial procedure outside of the Council.

v. Arbitral and Judicial Procedure.

Judicial procedure is provided by the Permanent Court of International Justice.

I need not recall to you the preliminary studies for the constitution of the International Court which were made by the Preparatory Committee and by the Committee of Jurists, nor the particular contributions of Lord Phillimore and Mr. Elihu Root.

It was evident that there could be no real Court unless it had a certain obligatory jurisdiction. But the proposal to

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give the Court obligatory jurisdiction was not one which could be immediately accepted. As a result of the discussion in the Assembly, when the draft for the Constitution of the Court was laid before it, a compromise was arrived at which took the form of the now celebrated Optional Clause.

This was the first step taken which limited the jurisdiction of the Council.

vi. *Conciliation.*

A short time afterwards a further method for the settlement of international disputes was officially admitted in the League organization of International Justice—Conciliation, a method not unknown before the war. It might have been thought that there was no place for this method in the new and more coherent system which the Covenant attempted to set up. Many delegates at the Second Assembly, however, suggested that conciliation might be a useful alternative to the system of appeal to the Council. The implications of having recourse to conciliation would not be so grave, and it seemed therefore to present definite advantages in certain cases.

A model Convention on the subject was adopted in 1922 at the Third Assembly, and this tended to the conclusion of a certain number of Treaties signed in 1924 by Sweden, Norway, Finland, Denmark, and Switzerland. In 1925 the Pan-American Conference of Santiago de Chili drew up a Convention which was ratified by the United States, Brazil, Paraguay, Haiti, and Guatemala.

Conciliation was provided not merely as a possible method, but was made an obligatory procedure, or at all events had to be a definite alternative to procedure before the Court.

vii. *The Protocol.*

Shortly afterwards a most important new step was taken. When the Assembly met in 1925 a Labour Government had come into office in London and Mr. Herriot's Ministry was in power in Paris. These two Governments had entered into the agreements of London concerning the Dawes plan. They were anxious to consolidate and complete the existing world political system in such a way as to make war impossible or at all events to outlaw it. In consequence, their effort at the Assembly was directed to filling 'the gap in the Covenant', this being the ultimate right of recourse to war in the case in which the Council was not unanimous.

The problem was not an easy one. On the one hand it seemed at that time impossible to diminish the competence of the Council, and on the other many delegates expressed the greatest reluctance to increase the power of the Council and to make its decisions obligatory in all cases, which would necessarily involve allowing decisions to be taken by a majority vote.

The system which was worked out, known as the system of the Protocol, was exceedingly complicated and in my opinion very unsatisfactory. The Council, if it failed to reach a unanimous decision accepted by the parties, had to set up a committee of arbitrators. These arbitrators were obliged to consult the Court if one party asked that such consultation should be made. If neither party agreed to arbitration the Council had again to undertake the consideration of the dispute. If on this second consideration it was found impossible to reach unanimity, the Council had itself to determine the composition, powers, and procedure of the committee of arbitration.

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The Protocol, as you all know, failed, but, as has often been pointed out, the effort made by the 1925 Assembly was by no means useless. Many of the ideas underlying and inspiring its work survived, and the work was taken up again from another angle.

viii. *The Bilateral Arbitration Treaties.*

There then came what we may call the period of bilateral arbitration treaties. During that period a new and important development slowly evolved. I may put it briefly by saying that the problem of the abolition of war or of its outlawry came to be regarded as a separate problem from the problem of the peaceful settlement of international disputes.

The next important development consisted in the Locarno treaties, including the Pact of the Rhine and the arbitration conventions which were negotiated at the same time.

The arbitration treaties mark a distinct advance, as they provide for the settlement of all disputes. They are, however, to be distinguished from the system of the Protocol in one point which is common to them. In fact, they deliberately cut through the midst of the scruples which had so much embarrassed the negotiators of the Protocol.

The Swiss-Italian Treaty, which was signed on 20 September 1924, simply ignored the Council, and decided that all disputes, if not settled by conciliation, might be submitted to the Court, and that the Court, if the dispute was not one of a legal character, might decide it *ex aequo et bono*.

This was the beginning of a very long series of treaties, amounting to approximately 100, which were adopted by most of the European States. Most of them follow the lines of the Swiss-Italian Treaty with one difference, that the Court is not generally recognized as competent for the

settlement of all disputes, a distinction being drawn between disputes which are judiciable and disputes which are non-judiciable.

ix. *The Outlawry of War.*

We now come to the last stage, which I may call the generalization of the rules for the peaceful settlement of international disputes. This may be regarded as the logical consequence of the abolition of war. If the process had been completely logical, the abolition of war and the peaceful settlement of all disputes should have been realized simultaneously, as had been tried in the Protocol.

But logic does not always inspire politics, and account had to be taken of the fact that in many countries it was easier to renounce war than to accept arbitration for all disputes. We had had an example already at Locarno, where Germany, France, and Belgium agreed to renounce war in all cases, while the convention of arbitration adopted at the same time only provided for methods of conciliation for non-judiciable disputes with the possibility of referring to the Council with no guarantee of a final settlement, as I have already pointed out.

The same thing happened as regards the general treaties.

It was the great desire of many statesmen to secure as a part of the positive law of nations the condemnation of wars of aggression, a condemnation pronounced, so to speak, by the conscience of humanity. As they had failed to bring the Protocol into operation, they were anxious to save at least that part of it which prohibited wars of aggression. You will remember that in 1926 and 1927 the Assembly of the League passed resolutions in this sense.

Then came Briand's proposal to the United States and

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Kellogg's counter-suggestion, which led to the Treaty of Paris prohibiting war as a means of international policy.

Once more logic would have suggested that, as disputes had to be settled from now on by peaceful means, some definite machinery should be organized as a substitute for war. But once more the statesmen thought it was wiser to keep the problems entirely separate, to pluck the fruit that was ripe, and to rely on the wisdom of their successors to complete their work.

In order to show that they did not ignore the link existing between arbitration and the abolition of war, they were careful to insert in the second Article of the Kellogg Pact their agreement 'that the settlement or solution of all disputes or conflicts of whatsoever nature or of whatever origin they might be which might arise among them should never be settled except by peaceful means'.

We may note that the drafting is curious. It is a negative engagement. It does not bind a State which has a claim against another to have recourse to pacific means. Secondly, it is vague. The pacific means to be used are not indicated.

We may accept these imperfections as proofs of very able diplomacy and statesmanship, but both logic and practical interest indicated that the work had to be completed. It could be done in two ways. States could have recourse to bilateral treaties or they could endeavour to negotiate a general treaty.

There has been a good deal of argument in favour of the first solution. Personally, I think that the second is much superior. The main objections which can be urged against the system of bilateral treaties is the inevitable slowness with which they would be negotiated and the technical difficulty of their drafting. A network of special treaties must inevit-

ably result in a multiplicity of texts, due to the technical preferences of the negotiators in each case. This is in fact the present situation. However great is the care taken in the drafting, it is not always easy to know what is the exact importance to be attached to differences between one treaty and another. One may answer that the exact meaning of dubious draftings will be fixed by the Permanent Court of International Justice when it has the opportunity to give its decision. But the occasions are rare, and interpretation given to one treaty will only increase the doubts with regard to the others where the same rules are drafted in a different form.

There is another disadvantage connected with the system of bilateral treaties which deserves mention. I need not enlarge on the importance of the influence and action of public opinion in its relation to the whole problem. A network of differently drafted special treaties does not give public opinion the same opportunity of effective cohesion as a general treaty.

These were, I think, the principal considerations which led the Norwegian Delegation at the Assembly of 1927 to propose the drafting of a general treaty. That work was taken up by the Assembly last year, and in my opinion it is a task of the greatest possible importance.

The Committee on Security and Arbitration, to which the work was entrusted, prepared three drafts of general treaties providing for the three degrees of obligation which Members of the League might think advisable to adopt. The Assembly considered it wiser to combine the drafts into one single text with three different parts and to allow the possibility of partial adhesion, so that any State which adhered to one part, for example, the part providing only for conciliation, would

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be bound by its adhesion *vis-à-vis* those States which adopted the obligation of final arbitration.

The form finally adopted was that of a General Act—something quite new in the practice of diplomacy, though it is possible to find an analogy in the Labour Conventions. It consisted in a mere resolution of the Assembly embodied in an instrument signed by the Secretary-General and the President, but it was open to adhesion by the States, and not only to adhesion by States Members of the League but also by other States.

It becomes a Convention from the date when two States adhere to it. This has already taken place, as the adhesion of Sweden and Belgium has been made.

The General Act amounts in fact to the codification of the methods for the peaceful settlement of international disputes.

In substance the General Act keeps three methods—of conciliation, arbitration, and judicial settlement—but evolves them into a real obligatory procedure quite distinct from the old traditional arbitration: if the parties to a dispute do not agree to the terms of a compromise, any one of them may by single action call the tribunal to life and bring the case before it.

We can now attempt to sum up.

If we consider the difficulties of the problem I think we have a right to be satisfied. There may be hesitations on the part of certain States to accede to the General Act, but under the full development and pressure of public opinion in favour of the outlawry of war and the pacific settlement of all international disputes we may be optimistic that all States will gradually come in. When that has happened international life will have been completely revolutionized.

It is curious that many of the statesmen of the world do

not seem to realize the changes already made in the Law of Nations. Even when they sign the widest arbitration treaties, they go on speaking of the sovereignty of the States they represent.

In my opinion to talk of sovereignty in such circumstances is, strictly speaking, nonsense. Sovereignty is, in fact, out of date. A country has a right to be free, to be independent in the government of its domestic affairs, but modern international life requires it to abandon its sovereignty in international affairs. In other words, to abandon its privilege to be the only judge of its rights and interests in its relations with other countries. A State which agrees to accept for all its disputes with any other State the judgement of a Court or Tribunal has ceased to be, in the old sense of the word, a sovereign State. But I do not think that there is anything which it need regret. It is making a necessary contribution to the organization of humanity, and I am glad and proud to be able to say that Belgium has been the first to give an example.

I have only one last word to say. I am speaking here in the Council Chamber of the League, a little afraid of what the walls may tell members of the Institute when they come here again. Have I not prophesied the end of the Council's mission? I would like to avoid the possibility of any misunderstanding. It is true that in my opinion the Council has nearly ceased to be a judge between States. But this means, in my mind, that its functions will become more specialized and that its power will increase.

It will still have its multifarious other duties under the Covenant, its administrative work in the running of the whole League, its work on Mandates, on Minorities, &c. Further, the Covenant has entrusted to the Council the supreme

responsibility for the maintenance of peace. It may in the long run be charged with the responsibility for some kind of an international police force. I want to insist on the point that in my opinion none of its supreme responsibilities have been altered by the progress of arbitration or even by the General Act. Even in the administration of justice Article XIII remains, with its last sentence entrusting the Council 'in the event of any failure to carry out an award to propose what steps should be taken to give effect thereto'.

In this supervision of the execution of arbitral awards or decisions of the International Court of Justice the Council will have to bear in mind also Article II of the Covenant, which gives it the duty of safeguarding peace between the nations.

This reminds us that even in legal disputes there may come a moment where 'la politique reprend ses droits'. International justice cannot be made so drastic as national justice sometimes is. There is a limit to the sacrifices which Law may ask of the most reasonable and peace-loving nations. These may be described as 'the vital interests and honour' which the States used to exclude before the war in their arbitration treaties; but they do not appear any more as a preventive limit to the jurisdiction of the Courts or tribunals, nor as reserved for the interpretation of the States concerned.

If the Council understands its mission, and if it makes the distinction between the *res judicata* which it may not alter and its right to impose on every country the necessary sacrifices which peace may require, it will meet with unanimous support—even among the jurists, who are not such impossible people as they are sometimes supposed to be in Geneva.

CHAPTER III

THE CONTRIBUTION OF LAW TO PEACE

Professor J. L. BRIERLY:

I HAD the honour last year of addressing this Institute under a title very similar to that of my lecture to-day. But to-day I shall try to take up the problem of law in international relations at the point at which my last lecture ended, and therefore, if you will allow me, I shall begin by recapitulating as shortly as I can the points which I attempted to establish in relation to international law.

Our existing system of international law comes from two sources, from custom, and from conventions or treaties. The customary part of the law has many defects; it develops exceedingly slowly, far too slowly to be able to keep abreast of changing international conditions; its range is narrowly limited, for the greater part of the activities of States in their relations with one another are matters within the so-called 'domestic jurisdiction' of the States concerned, and therefore outside international law altogether; it consists largely of rather vague general principles, many of which, having been introduced into the system by academic writers more interested in an imaginary world of their own than in the actual world of States, are ill-adapted to modern conditions; and lastly, owing to the imperfections of international organization, the principles that we have, have not yet been authoritatively worked out into detailed rules whose application to specific situations can be predicted with that reasonable degree of certainty which a more developed system of law affords. The conventional part of the law has different, but almost equally serious, defects. Law-making by international

conventions or treaties is a comparatively recent practice, and therefore the total number of conventions is not very great in relation to the needs of the international society for settled rules of law, though it is growing rapidly under the improved organization of international conferences which the League of Nations has made possible. A convention again binds only those States which are parties to it, and therefore it is virtually impossible to create *universally* binding rules of law by a convention. If we regard the making of conventions as legislation—and conventions are the nearest approach to true legislation that existing international organization admits—it is clear that a legislative process in which a dissentient minority does not in the last resort have to bow to the decision of a majority is technically a defective one. Moreover, the effort to secure as large a measure of agreement in a convention as possible often has an unfortunate effect on the final result; it means that difficult problems are sometimes discreetly avoided, or that ambiguous formulas are admitted into the text. With all these shortcomings, therefore, it is a serious misapprehension to think of existing international law as if it were a mature and comprehensive system capable of regulating the whole life of States in the international society, if only the States could be persuaded to accept its dictates. Such a system has still to be created.

i. *Law and the Judicial Process.*

The most obvious application of law in the international field is to be found in the use of the judicial process for the settlement of international disputes, but in estimating the value of the contribution of law under this head we should note at least two important points of contrast between international judicial process and judicial process within a State.

The first is the less developed character of the law that an international court must apply; it is obvious that the work of a court of law must be to some degree affected by defects in the law such as those to which I have just referred. The second is that the parties to a dispute are States and not individuals, an obvious but a vitally important difference. The real significance of each of these points of contrast will appear more clearly if we briefly examine the nature of the process which a court of law performs in deciding a dispute.

Judicial settlement proceeds on the basis of giving to each of two disputing parties, whether they are States or individuals, what are called their 'rights', and it determines what those rights are, not by the unaided fallible judgement of individuals, but through judges trained to apply an objective standard of right and wrong—that is to say, the law—of which the judges themselves are only the mouth-pieces or interpreters. Now that way of expressing what takes place when a court of law decides a dispute is true in the main, but it may easily lead to misunderstanding. It implies a clear-cut distinction between the function of adjudication and the function of administration, which exists only in the minds of political theorists and cannot be altogether maintained in the field of action. It may seem to suggest, too, that a system of law is nothing but the sum total of a number of particular *rules* of law, and that the task of a judge is the purely mechanical one of selecting a rule appropriate to the facts before him from a sort of armoury of rules with which the system is supposed to have provided him. If that were so, we should have to conclude that the work of a judge applying *international* law, the rules of which, as we have seen, are few in number and vague in content, would be almost impossible; he would repeatedly be confronted with a situation in which

he would have to inform the parties either that no rule existed, or that the rule was so uncertain that he could not discover what it was. Yet we know that such a situation never actually arises; and the reason that it does not arise is because law is always something more than a collection of rules, and a judge is not a sort of human ready-reckoner trained to give the one correct answer to any problem submitted for his decision. It is inconceivable—and this is a point that the more enthusiastic advocates of codification often overlook, and the reason why their hopes of making the administration of law a perfectly simple and certain process by means of codification will always be disappointed—that *any* system of law should possess a sufficient number of detailed formulated rules to fit every one of the infinite conjunctions of facts that may be presented to a court. Actually the task of a judge always involves a process of adaptation—he does not, so to speak, deal in a ready-made commodity—and so far as adapting means *making* something new, it involves the making of new law to meet new facts. Judges give direction to the law by the very act of judging, and any system of law therefore contains within itself not only rules already formulated in codes or statutes or previous decisions, but a generative process by which new rules may be formulated as occasion arises for their application.

By a happy dispensation, therefore, it appears that the imperfections of international law must tend to be reduced in importance by the very act of making use of the law in the judicial process. That is an important and a hopeful truth. On the other hand, we ought not to forget that the process of improvement by this means is necessarily a slow one, and that for a long time to come the subjective element, which no system can wholly eliminate from the act of judging, will

inevitably be much larger in an international court than in the national courts whose decisions we have long learnt to accept as a matter of course. The difference between the two kinds of court is one not of kind, but of degree, but it would be a mistake to think that it is unimportant; we must not argue, from the fact that the function of judging always involves an element of administrative personal discretion, that therefore it makes no difference how large that element is. After all, the ideal of the judicial process is government by laws and not by men; and though that ideal can never be perfectly realized, since it is men that have to apply the laws, it is a right instinct that makes our readiness to submit to a court of law depend upon the degree in which its work approximates to such an ideal. For a long time to come the effect of the backward character of international law must be to make the decisions of an international court less predictable—we may even say, more arbitrary—than those of our national courts.

Fortunately, however, there is one very common class of case among those with which international courts have to deal to which this handicap hardly applies at all. Many disputes concern the interpretation to be put upon the terms of a particular treaty; indeed, far the greater number of the disputes which have hitherto come before the Permanent Court have been of this type. In such cases the uncertainty and vagueness of the *general* rules of international law have hardly any bearing on the task before the Court; and the Court's decision is no more arbitrary than the decision of a national court construing an ambiguous contract in a dispute between individual litigants.

The other consideration which I have suggested has an important bearing on the value of the contribution that law,

in the form of judicial settlement, makes to the cause of peace is that the parties to an international dispute are States and not individuals. If that is a truism, it is one that is often forgotten. The practice of personifying a State, of speaking and thinking of it as an individual 'writ large', is legitimate enough in certain contexts, but it is a practice that is easily abused, and the abuse of it probably leads to more confused thinking and false judgements on international matters than any other form of error. If we are seeking for an analogy to the disputes of States in the field of national law, we shall not find it in the disputes of individual human beings, but in the disputes of groups of persons. Whatever else a State may be, it is certainly a species of the genus 'group', and disputes between groups within the national community can teach us more than one lesson which we can apply to the disputes of States within the international community. In the present context the point that I would suggest for consideration is this: to what extent do large groups of persons within the State, for example, churches, or trade unions, settle their disputes by resorting to a court of law? Examination would show, I think, that they do not do so to any very large extent, nor in respect of the matters about which they feel most strongly, and that even when they do, the result, as in the Scottish Church or the Taff Vale decisions, is not always satisfactory. When Montesquieu¹ wrote that 'il est ridicule de prétendre décider des droits des royaumes par les mêmes maximes sur lesquelles on décide entre particuliers d'un droit pour une gouttière', he may have been guilty of some exaggeration, but he was calling attention to a difficulty which it would be foolish to ignore.

¹ *L'Esprit des Lois*, xxvi. 17.

ii. *Law and the Dynamic Forces of Society.*

Judicial process, however, is not the only, nor even the most valuable, contribution that law is capable of making to the cause of peace. I have suggested that it is misleading to think of law as if it were a mere collection of formulated rules: that we shall never understand the nature or extent of the service that judges are capable of rendering if we fall into that error. But there is another error which leads even farther from a true understanding of the function of law—that of thinking of law as an institution of which the whole purpose is the protection of existing rights and the enforcement of existing duties. Such a limitation of the scope of law is permissible only so long as we are regarding law merely as a professional pursuit, and no doubt it is from the professional associations of the law that popular notions of its nature and purpose are often derived. But law is far more than the subject-matter of the lawyer's profession; it is a great institution of social welfare, and of law so regarded existing rights and duties are only one aspect. Human society does not stand still, and its institutions, and among these law with its scheme of rights and duties, must move with it, if they are to endure at all.

This problem of the adjustment of law to changes in social conditions is of supreme importance, for it means that we have hardly begun the task of securing peace on the basis of law when we have merely provided for the settlement of disputes about existing legal rights. Such disputes—the only kind for which a court of law is of any use—are relatively simple. There are others, more complex, generally more dangerous, and possibly, as between States, more common, disputes in which one party at least claims something from

the other to which the claimant has no legal right. It is impossible to dismiss these disputes with the comfortable assurance that the complaining party *ought* to be contented to receive what the existing law declares to be his rights. For one thing, that is by no means always true, for it is often morally just that rights should be changed; and even if it were true it would, if our object is to organize a peaceful world, be irrelevant, since the world of States for which we have to plan is not formed in that mould. It would not be difficult to organize peace for some 'island—valley of Avilion, Where falls not hail or rain or any snow, Nor ever wind blows loudly', but we do not live in Avilion. The idiom of our language associates peace with quiet, but unfortunately not 'peace and quiet' is the measure of our task, but how to reconcile peace with social movement, more rapid to-day than it has ever been before. 'The cause of causes [of war]', as Professor de Madariaga¹ wrote recently, 'is essentially in the nature of a protest against the injustice of Justice; it is the tension developed by the growth of life pulling away from the static condition of the world in which the laws in force were once dictated.'

The modern State relieves this tension by a legislature, and legislation, the process of changing some part of the existing legal basis of things, is as essential a part of the whole of law, regarded as a working system, as is adjudication, the application of existing law to particular states of fact. It is only because the judicial organs of a State are part of a wider system, part of the whole complicated machinery of a State's government, that they work with the comparative efficiency to which we are accustomed in civilized States. Judicial machinery, though it is a necessary, is in fact only a subor-

¹ *Disarmament*, p. 223.

dinate, part of social control. If the legislative organ of a modern State were to cease its activity, social changes would soon lead to maladjustments for which no legal cure would be possible, and it is certain that, as grievances against the existing order increased, men would lose their respect for legal rights and duties which had become out of date, and begin to redress the evil by extra-legal means.

The history of revolutions shows that the affairs of a State cannot be conducted on the basis of the permanence of a legal order established once and for all, and it is foolish to imagine that international affairs can be conducted on any such simple plan. Moreover—and here again we may see the danger in our habit of personifying States—international differences belong to the very type of difference to which the practice of States tends to apply the legislative, in preference to the judicial, method of treatment, for by their very nature they are differences between large groups of persons. In general we do not change the law of a State because one or a few individuals may be discontented with their legal rights and duties; even if we feel that they have a real grievance, we probably take refuge in the reflection that hard cases make bad law and leave them to their fate in the law-courts. But we do begin to think about changing the law when a powerful group, like the Trade Unions after the Taff Vale decision, the Free Church of Scotland after the legal victory of the 'Wee Frees', or the English middle classes after the General Strike, are discontented with the legal order of things. That is but to remind ourselves that the development of law within the State responds in large part to the pressure of social interests, good or bad, provided they are powerful, and not wholly to an ideal of abstract justice. No one but a cynic would deny the influence of moral forces on legal

development, but only a visionary would regard them as its sole determinant.

It will not be otherwise in the international sphere. We may succeed in eliminating war as an instrument for changing the international order, but we shall not eliminate force, in the sense of the power of the strong, above all to-day of the economically strong, to exercise more control than the weak over the course of events. If we were to attempt to direct the course of the law into a different channel, for example, by an extreme construction of the doctrine of the equality of *all* States, or by elevating the sanctity of treaties into an immutable dogma, we should merely waste those moral influences which the ideal of law places at our service. A legal order is always in the nature of a compromise; it is necessarily only an imperfect reflection, not an incorporation, of the moral order of society.

iii. *The Problem of International Legislation.*

The analogy of the State in the matter of the legislative function in society may help us to diagnose the international disease; it does not follow that it will also indicate the appropriate international remedy. Applied literally, it would seem to point us to some sort of grandiose federal legislature, a Parliament of man legislating for the whole world; but no plan that I have ever seen for regulating the election or defining the powers of such a body, or its relation to the States composing the world federation, seems to have any very close connexion with the political facts with which we have to deal.

Those who hope and believe, as I certainly do, that the creation of the League will some day be seen to have been one of the great turning-points in the history of nations, will

naturally think in this connexion of Article XIX of the Covenant: 'The Assembly may, from time to time, advise the reconsideration by Members of the League of treaties which have become inapplicable and the consideration of international conditions whose continuance might endanger the peace of the world.' The history of this article has not hitherto been a distinguished one, for there has not yet, I think, been any occasion on which the Assembly has 'advised' the reconsideration of an inapplicable treaty or the consideration of dangerous international conditions, and the few occasions on which it has been proposed that it should do so do not encourage the hope of large results, at any rate immediately. Regarded as a legislative scheme in embryo, the article has two obvious defects; the Assembly's decision to 'advise' probably requires a unanimous vote,¹ and its advice, if given, could certainly impose no legal obligation on the State concerned to carry it out. Theoretically a very simple amendment of the Covenant would remove these difficulties; the Assembly might be given power to 'advise' by a majority or at any rate by something less than unanimity, and the members of the League might be asked to bind themselves to carry out 'advice' given in the prescribed way. This might seem only a slight change on paper; actually, however, it would involve a revolutionary change in the character of the League as the Covenant conceived it. It would convert the Assembly into a legislative body above the States, and the League into a super-state or something very like one.

It seems necessary to look for some alternative to the full application of the State analogy in the very different condi-

¹ The opinions of jurists are not unanimous on this point. Cf., e.g., Schücking, 'Le Développement du Pacte', in *Recueil des Cours de l'Académie de droit international*, 1927 (v), p. 437.

tions of the society of States. We are seeking a method or methods of performing internationally a function which will be legislative in its essence, in the sense that it will result in changing the existing legal condition of things, but which will not present the insuperable practical objections raised by the direct and obvious method of instituting an international legislature. Now, although we do not usually regard arbitration as a legislative process, there is a possible application of it in which analysis seems to show that it fulfils a legislative function. Arbitration is a word which it has become dangerous to use unless we define the sense in which we are using it. Current usage of the word seems bent on depriving it of any exact meaning at all, but it is much too useful a word, and it carries too many associations with it, for it to be right to use it as if it meant nothing more precise than the settlement of a dispute by peaceful methods as contrasted with the method of war. There are actually many different methods of peaceful settlement, and arbitration is only one of them. Arbitration is the settlement of a dispute by arbitrators, and arbitrators are persons whom the parties choose and invest with power to settle the dispute for them. Further, in its strictest sense arbitration also implies that it is the duty of the arbitrators to arrive at the terms of the settlement by the application of rules of law. 'International arbitration', says Article 37 of The Hague Convention of 1907, 'has for its object the settlement of disputes between States by judges of their own choice and on the basis of respect for law.' Arbitration of this kind is true judicial settlement, differing only from a settlement by a court of justice in that arbitrators are not, as judges are, members of a permanent body; they are appointed by the parties, and for a particular occasion only, but otherwise they are precisely in the position of judges. But clearly

in this strict sense arbitration does not, any more than ordinary judicial settlement, fulfil a truly legislative function. Suppose, however, that instead of the arbitrators being required to apply law to a dispute, they are empowered to decide it according to what seem to them, as impartial and reasonable men, to be its merits, to decide it, according to the technical phrase, *ex aequo et bono*. Such a power may equally well be entrusted to judges; even the Permanent Court, under Article 38 of its Statute, may decide a case in this way if the parties agree. But it is a quite common practice to confer it on arbitrators; it is indeed a necessary part of any scheme of so-called 'all-in' arbitration. In the present discussion, however, the significance of conferring on arbitrators a power to decide *ex aequo et bono* is that it does in fact confer on them a power to *legislate* for the parties within the limits of a particular subject-matter defined by the terms of reference to the court. It creates an organ exercising legislative functions, not of course an organ empowered to make permanent changes in the general law, but one that may change the existing legal rights of particular States. The result is an institution which bears more than a superficial resemblance to the combination of the judicial and the legislative functions which is found in the 'private bill' procedure of the British Parliament.

At first sight it is tempting to hail in this form of the arbitral idea a procedure which is free from the vitally important limitation on the usefulness of judicial settlement which confines it to decisions on the basis of existing legal rights. A judicial decision, as we have already seen, is of no use in that more complicated type of dispute which does not relate to legal rights at all, but to a demand that legal rights should be changed, and the latter is the very kind of dispute

which arbitration *ex aequo et bono* seems to fit. In theory that is perfectly true; by a combination of judicial settlement and arbitration *ex aequo et bono* it is possible to devise a comprehensive scheme of settlement applicable to any dispute whatsoever. The difficulty about such a scheme is a practical one, and it is the same in kind, though not so far-reaching, as the difficulty presented by any proposal to set up an international legislative organ. The difference between the two is merely that, instead of establishing a single permanent body with general legislative powers over the States for all purposes, we are invited to accept a plan which will bring into existence, whenever particular States are engaged in a particular dispute, an *ad hoc* body with legislative powers over those States for the purpose of that dispute. There have, of course, been numerous occasions on which disputing States have agreed to accept a decision from arbitrators empowered to vary, if it seemed fit, their existing legal rights; there will doubtless be many such occasions in the future. To this extent arbitration *ex aequo et bono* is a valuable institution, contributing something to the solution of the problem of international legislation. But I cannot believe that it contains the whole solution, or that most States will ever be willing to accept a general anticipatory obligation to submit all non-legal disputes to arbitration *ex aequo et bono* any more readily than to an international body with professedly legislative powers. Take, for example, the case of a demand for the revision of a treaty which one of the parties regards as unfavourable to itself, or for the revision of a frontier on racial or economic grounds. Is an arbitration tribunal really an appropriate body to consider *and decide* whether or not the claim of the discontented State is well founded in justice and fairness? The question is not whether it should be available as a method

to which the States concerned may resort in a particular case if they so agree—that is too plain for argument—but whether it is reasonable to think that it can be established as a universal and obligatory method. It may be true that international organization for dealing with questions such as those I have used as illustrations is at present defective; but it is also true that the choice need not lie between this particular device and the lack of organization for dealing with the problem of necessary changes in the legal order to which we have been used. The *liberum veto* of every State on any proposal to change the legal order in a way that affects its own interests ought somehow to be replaced by a system of international control for matters of genuinely international concern, but we have yet to work out the form that that control ought to take. ✓

The same fundamental objection affects both the schemes to which I have referred as means whereby, in theory, changes might be introduced into the international legal order, namely, the application internationally of the analogy of a State legislature, and the adaptation of arbitration to a legislative function. It is that they both proceed on the assumption that international society is ripe for some method of *government* to which powers of *decision* ought to be committed, that some organ should be created or some individuals chosen, and that it or they should be invested with a power to dictate a change in the legal rights of a State without the consent of the State affected by the change. Now why should we do well to pause before such a proposal? Not out of regard for the susceptibilities of the 'sovereign' States in which we have been taught to believe; sovereignty in most respects is a misleading and noxious term, though it still stands for certain facts and for a psychology related to those facts with which we have

to reckon. It is because the notion of 'international government', in the literal sense of those words, raises in an extreme form a difficulty which is inherent in the nature of all government. Like so many other difficulties in the sphere of international organization, we often obscure this one by that inveterate habit to which I have already referred more than once, of thinking of States as if they were individual persons. But in fact it is a difficulty which exists, in a greater or less degree, wherever government has to essay the task of controlling by the rule of law powerful groups or communities organized within the wider community for which it is responsible. It exists, for example, in an acute form in countries with a communal problem, such as India or Kenya; it exists to a smaller, but still to a serious, extent in any country where trade unions are powerfully organized. The difficulty is simply this, that while any government can dictate its commands to mere individuals—the discipline of an army illustrates that—the actual power of a government to dictate to organized groups, whatever its legal powers may be, is always limited, and the limits become narrower in proportion to the strength and cohesion of the groups. The strongest and most cohesive of all groups are independent States, and the notion of international government seems to involve a misreading of the conditions for which at present and for a long time to come we have to make our plans.

If that is true, we shall do well to abandon the idea of a frontal attack on the problem of international legislation; but fortunately good strategy is not limited to frontal attacks, and in this field there is ample scope for a turning operation. For the time being, at any rate, instead of trying to contrive some device for altering a State's rights without its consent in those cases where justice requires them to be altered, we had better

turn our attention to a technique which will aim at inducing the consent of the State affected to be given more readily than heretofore, a technique, that is to say, which will be essentially one of *persuasion*, rather than of *dictation*. But already, thanks to the existence of the League, the process of creating a technique of this kind has advanced to a stage that even ten years ago the most optimistic would hardly have dared to hope for. We are too fond of trying to dig up the roots of the League in order to see whether the plant is really alive, but, if it grows more slowly than we could wish, the fault is not in the seed that has been planted, but in the inhospitality of the soil in which it is trying to grow. With a little less nervous anxiety about foundations and a little more patient and detailed observation of the experience of the League, we should see that its work is already exerting a constant pressure on the States to modify the legal order at one point after another. It is still possible to read in commentaries on the Covenant that the rule of unanimity which prevails in most of its business reduces the League to ineffectiveness; it is assumed that the maintenance of such a rule *must* have that effect, and the assumption takes the place of an examination whether it does so or not. Actually it does nothing of the kind,¹ and the methods of the League are already leading to substantial changes in the international legal order. The Council has a number of instrumentalities at its disposal, Commissions of Experts who make reports and recommendations on one subject of international importance after another, Commissions of Inquiry from whom it can obtain

¹ See a discussion of the influences which have mitigated the effects of the rule of unanimity in the practical working of the League in Fischer Williams, *Chapters on Current International Law*, ch. xiii, 'The League of Nations and Unanimity'.

impartial accounts of the facts of some international incident, Advisory Opinions from the Court of International Justice and other bodies—instrumentalities which are not indeed legislative in principle, but are means of discovering and exposing the defects of the international order, of suggesting how they can reasonably be amended, and of appealing to enlightened opinion all over the world to work for their amendment. They are instrumentalities which are often legislative in the ultimate results to which they lead. The procedure, again, by which the International Labour Office tries to secure the ratification of conventions or the acceptance of recommendations made by the Labour Conference is based on a technique which is even more directly aimed at *inducing* the States to introduce changes in the existing law. That procedure imposes no binding duty to ratify a convention or to accept a recommendation; it does no more than to create an obligation to bring the convention or the recommendation before whatever authority in each State is competent to ratify or accept it, and to require an annual report on the measures taken to give effect to conventions after they have been ratified. There is no attempt to dictate, but merely an attempt to ensure a fair consideration of proposed changes and an opportunity for public opinion to express itself upon them.

It is true that it is easy to be discouraged at the results; pious resolutions leading to no action, conventions unratified, tedious discussion and re-discussion of disputes that never seem to get settled—all this is the stock-in-trade of the impatient reformer anxious for big and quick returns. We sometimes forget how short the history of the League has been, and how unfavourable in many ways were the circumstances of its birth. The process is only beginning, and the

superficial observer may even fail to detect the direction in which it is moving. It can be accelerated according to the measure in which we are all resolved to the best of our ability to try to see international problems objectively, to understand sympathetically the interests and even the prejudices of other nations, and to see the problems of our own through their eyes; it cannot be accelerated, and will only be retarded, if a desire for formal symmetry leads us to attempt to impose a too narrowly legalistic impress on a society only just beginning to be conscious of the interdependence of its units.

We sometimes forget, too, how slowly the more important social changes even within the State make their way into the legal order. Improvements in the conditions of labour, in the status of women, in the education of children, in provision for old age and unemployment, and the like, come about as the result of movements slowly gathering force over years of effort and persuasion, and the legislative act from which we are apt to date their introduction is often hardly more than the formal registration of a change of sentiment which has taken place long before. I doubt if the League's achievements up to date in such matters as opium, or the traffic in arms, or the regulation of transit, are less adequate to the magnitude of the problems concerned than were, say, the first Married Women's Property Act of 1870, or the Employers Liability Act of 1880, or the Unemployment Insurance Act of 1911, to the domestic problems which they attempted to solve. If an act of legislation goes very far beyond being the registration or carrying into formal effect of a change of sentiment already accomplished, if, for instance, it leaves a strong and determined minority still unconvinced of the need of change, it is, even with all the machinery of a State and the traditional majesty of law behind it, as likely as not to fail in making the

change effective. That is a truism which needs no illustration.

It is the same with international questions. If we already had in being the most perfectly devised international legislature, we could not by a quick succession of carefully drafted Acts introduce the changes that most students of international affairs believe to be necessary. It is a trite metaphor to say that problems have to 'ripen' before they can be settled, but it is also a singularly apt one. Does any one imagine that a legislature or a court of arbitration could have made the recent, perhaps only provisional, settlement of the reparation question even five years ago? or that they could settle the Polish Corridor problem, or the dispute between Poland and Lithuania, or the Chinese extraterritoriality question, or the status of Great Britain in Egypt, by some swift decisive action to-day? These problems remain unsettled not because our machinery of settlement is defective, but almost entirely because of their intrinsic difficulties.

International problems do 'ripen'—even those that appear at one time the most intractable. Consider the transformation that events have already brought about in the problem of reparations; or how the implications of the Peace Pact of Paris are already beginning to resolve the problem of the 'freedom of the seas'; or how easily the extraterritoriality question will be disposed of when the new Chinese courts with their modernized codes of law begin, as there is hope that they soon may, to enjoy the independence which is their right. I have purposely selected illustrations of problems which belong to the most difficult type of all. These are political problems in the narrow sense; they engage the intense feelings of great masses of people on either side; they belong to precisely the type which is least easily susceptible of

regulation even by the organized legislative machinery of a State, namely, the type of problem in which 'group' is aligned against 'group'. Comparable problems within a State, slavery, for example, in the United States, or the Irish question in the United Kingdom, or the Church question in France, have been just as little susceptible of rapid and easy settlement.

Like legislation within a State, the methods of the League are a means of canalizing, even when they cannot perfectly control, the dynamic forces that are for ever pulling us away from the moorings of existing law. We have no perfect control of those forces even within the State; our legislatures are sometimes too slow in responding to the pressure of events, and when that is the case we may get revolution or *civil* war, exactly as we may get international war in the comparable situation between States. In the international field their control is immeasurably more difficult; it is only just beginning to be deliberately and systematically attempted or even studied; for hitherto it has in effect been treated fatalistically as an insoluble problem.

SECTION III
SOME SPECIAL PROBLEMS

CHAPTER IV
THE MONROE DOCTRINE AND THE LEAGUE OF
NATIONS

PROFESSOR SALVADOR DE MADARIAGA:

i. *A Word of Caution.*

LET me say at the outset that I did not choose this subject, nor did I choose to speak at all. I was told that I was to speak by a man whom long habit has made me obey at the slightest injunction, and I was told that I was going to speak on the Monroe Doctrine and the League of Nations. I would not have selected the subject myself, because frankly I do not believe that I am a very good choice for that subject. Some of you may know that I am Spanish, and some of you may even know that it was Spain that discovered America. The fact is sometimes kept carefully in the shade, owing to the coincidence that Christopher Columbus was an Italian and that there are far more Italian voters in America than Spanish, and therefore on the 12th October, when the discovery of America is celebrated, Spain does not get a look in. Still, although it is sometimes forgotten and sometimes—worse than forgotten—it is remembered with opprobrium, the fact remains that it was Spain that discovered America. Spain not only discovered America but colonized it and civilized it, and held it in relative peace for upwards of three centuries, a fact which is also forgotten because, owing to a curious shortening up of the perspective of history, people are apt to imagine that the Spanish Empire was like lightning in the night and lasted next to no time. The colonies founded

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by Spain were gradually emancipated and broke loose from the mother-country, and nowadays any Spaniard who cares to reflect on these matters is apt to look with melancholy at the development of the American continent, an evolution which is causing country after country, in which Spain planted a certain type of civilization, to deteriorate, and, by the action of forces which are too complex for me to analyse to-day, to fall under the influence of an entirely different civilization.

I am not—never was, and still less now that I begin to know the United States better—I am not of the opinion sometimes to be found in Latin countries so-called, and in Spain also, and in Spanish America, according to which the civilization which is gradually supplanting the Spanish civilization in certain American lands is inferior to the civilization of Spain. Neither am I of the opinion, too frequently to be found in other quarters, that that civilization is a better one. I believe that they are different civilizations, and being convinced that the world was meant to be varied, and that the attractiveness of this world is due not to unity but to variety and diversity, every time that I see a process of unification going too far, as I believe it is going too far in the American continent, I deplore it.

Were I a politician, were it my intention to—as you say in America—‘put over’ some theory, or if you prefer to put it in even more colloquial American, were I wanting to *sell* something to you, my endeavour would be at the beginning of my address to send you to sleep in the belief that I was a fellow that you could fully trust, and that everything I was going to say was at least one hundred per cent. true, if not more. Well, I am not going to do that. I have nothing to *sell*; I have no pet theories, no pet doctrines, no preferences, no prejudices that I want to have. I have, I am afraid, a

good many prejudices that I do *not* want to have. Though I should like to brush them aside, they live in my blood and I cannot get rid of them, but I do not want to 'put over' anything that is based on or might be affected by these prejudices. What I want to do is to contribute, in the modest sphere which is entrusted to me, to creating an understanding, as far as possible unprejudiced, of the things that happen; to bring you to reflect on the problems that, in the name of the Monroe Doctrine, are alive to-day not only in the American continent but in the world. I want to stimulate you, if it is in my power, to reflect on those problems yourselves, not to adopt anything I say here to-day; to ask you, in the light of what I say, to reflect on them for yourselves. And because I am intellectually disinterested I want to remind you that everything I am going to say will be said by a Spaniard, and that therefore you are to distrust it as coming from a Spaniard; that you are to take into consideration that I bring to the study of these matters a prejudice, much as I try to guard against it, that makes me naturally incline to a side which is not that of the Anglo-Saxon civilization in the American continent. I am not afraid of reminding you of my limitations. I think it is indispensable that when we discuss a matter internationally we should all begin by reminding each other of all that is inadequate, incomplete, partial, prejudiced in us. It is for all of us, having taken that into consideration, to remember, when in the solitude of our own meditations we follow up the same subjects, that we also are prejudiced; we also have our own blood; we also have our own preferences; and that it is no use trying to delude ourselves in the belief that we hold the truth. Truth is a thing that will come out of all our common efforts towards building it, and no one has a monopoly either of

truth or of wisdom. Therefore I am not going to say anything with the idea that I am telling you the truth. I am going to speak to you of the Monroe Doctrine and the League of Nations as it appeals to a man who is trying hard to overcome his national limitations whenever he approaches a subject of international concern. I won't put it any higher than that, and I will ask you to remember it when you criticize within yourselves what I have said, to apply it to yourselves, and not to put yourselves any higher than I have put myself.

ii. *The Elusiveness of the Doctrine.*

Further, I want to say that I do not propose to speak to-day about the Monroe Doctrine in general. The question is vast; it is, in fact, extremely complicated. Volumes have been written about it. I have tried to glance through one or two, and wisely refrained. I never forget that my great Indian friend, Mr. Mukerji, wrote in one of his books that his mother advised him never to put the printed book between himself and truth.

The Monroe Doctrine is a very wide subject indeed. As a subject it suffers precisely from the same trouble that it does as a doctrine, that just as English liberty is said to have dwindled down from precedent to precedent, the Monroe Doctrine has been said to widen out from President to President. I am only going to speak on the Monroe Doctrine and the League of Nations, namely, on the relation between two entities in international life and not strictly on either of these two entities. Still, we must at least have a minimum of understanding as to these entities we are talking about. I shall not be so disrespectful as to suggest that I am going to give a definition of the Monroe Doctrine, after the long line of Presidents who have refused consistently to define it. Still, I will try to delimit it to a size which is manageable to our

vocabulary and to our dialectics. Here again I remember my nationality, and I prefer to entrust this very invidious task to an American authority. A few days before I was to deliver this address, I received from Mr. Kirby Page, one of your most meritorious citizens, a pamphlet the reading of which I recommend to all of you. In this pamphlet, *The Monroe Doctrine and World Peace*,¹ I find a paragraph relating to this question of the delimitation of the vague frontiers of the Monroe Doctrine which, with your permission, I should like to read verbatim.

“Mr. Tilden”, says Mr. Kirby Page, “once observed that he thought the Monroe Doctrine might be a good thing if one could only find out just what it was.” Twenty-five years ago an anonymous writer in *The North American Review* expressed a doubt as to whether one per cent. of the voters of this country had any accurate idea as to the meaning of Monroe’s pronouncement. John Hay once coupled the Monroe Doctrine with the Golden Rule as cardinal elements in our foreign policy. Twelve years ago Albert Bushnell Hart pointed out that “its meaning and immediate cogency are still uncertain and disputed.” He expressed the opinion that it is a “frame of mind”. About that same time Wm. R. Shepherd referred to the doctrine as “elusive in meaning and vociferous in utterance”, and then went on to say: “Neither a principle nor a law, nor even in a strict sense, a policy, it is instead a sentiment long cherished.” More recently, Professor Shepherd has indicated the various stages through which this doctrine has passed by the following interpretations of the initial letters, M.D.: Manifest Destiny, Masterful Domination, Money Diplomacy, Much Deception, Mainly Dubious. Hiram Bingham says that “there are probably no two words in American history

¹ *Christianity and World Problems, No. 15: The Monroe Doctrine and World Peace*, by Kirby Page. (Doubleday, Doran & Company, Inc., New York.)

which have been more variously interpreted, which have meant more things to more people, and which have been more highly praised by some and more bitterly condemned by others". One writer says that "the Monroe Doctrine is a blank check on which any sum may be written by the State Department in Washington". While Professor Hart says that "the number of doctrines since 1849 is about the same as the number of Secretaries of State". In 1920 David Jayne Hill said that the only definite and settled aspect of our foreign policy was the Monroe Doctrine—and then added, "whatever that may imply". An English writer has discovered "one of the most singular ironies of history in the flat contradiction between its primitive and present tendencies". . . . Mrs. Mary Baker Eddy once confessed: "I believe strictly in the Monroe Doctrine, in our Constitution, and in the laws of God."

Please note that the laws of God come last.

You may, of course, say—not without reason—that so far I have spoken of what the Monroe Doctrine is not. But what is it? My friend, Mr. Kirby Page, has tried to sum up the main points of the doctrine a little farther on. But before I come to that, may I ask you to reflect on this: that there are very few people in America, as what I have just read to you shows, who really do know what the Monroe Doctrine is about. Mr. Kirby Page sent 901 questionnaires to 901 American citizens, all of first-rate importance, men whom you must consider as actively influencing public opinion either from the pulpit, the Chair, or editorial offices, or even in Ministerial Departments or senatorial positions. He received a considerable proportion of answers, about 300, which he classified. The questions were all of first-rate and, indeed, of substantial importance about what the Monroe Doctrine really is, and in every case he received answers in which the proportion of 'Ayes', 'Noes', and 'Doubtful' was about 40 per cent. Yes, 40 per cent. No, 20 per cent. Doubtful on

fundamental points arising out of the doctrine. I will give you only a very few examples.

Question, 'Do you think the *original* Monroe Doctrine may legitimately be interpreted as prohibiting the *temporary* armed intervention by European powers in Latin America in order to protect the lives and property of their citizens?': the answers were:

Yes	.	.	.	.	.	150
No	.	.	.	.	.	129
Doubtful	.	.	.	.	.	22

'Do you think the *original* Monroe Doctrine may legitimately be interpreted as *placing upon the United States* the obligation to protect the lives and property of European nationals in Latin America?'

Yes	.	.	.	.	.	117
No	.	.	.	.	.	167
Doubtful	.	.	.	.	.	17

I will not waste any more of your time. Complete vacillation, or ignorance, or indifference about the most important questions arising out of the Monroe Doctrine has, I think, been conclusively proved by Mr. Kirby Page in the circles of positive American public opinion.

iii. *The Meaning of the Original Doctrine.*

What are now the five points that may be detected from an attentive reading of the original message of President Monroe? Mr. Kirby Page—and I agree with him—puts them in the following fashion:

1. The American continents 'are henceforth not to be considered as subjects for future colonization by any European powers'.

2. Any effort to extend the European monarchical system 'to any portion of this hemisphere' would be considered as 'dangerous to our peace and safety'.

3. 'With the existing colonies or dependencies of any European power we have not interfered and shall not interfere.'

4. The determination of the United States not to become involved in European controversies is proclaimed in the following words: 'In the wars of the European powers in matters relating to themselves we have never taken any part, nor does it comport with our policy so to do. . . . Our policy in regard to Europe . . . is not to interfere in the internal concerns of any of its powers.'

5. The policy of non-intervention by the United States in the affairs of other American countries was announced. 'It is still the true policy of the United States to leave the parties to themselves, in the hope that other powers will pursue the same course.'

Let me now take these five points and see what remains of them. Let me tell you straight away my conclusion. Nothing remains of any of the five points of the original Monroe Doctrine. *Nothing*.

First point—'The American continents "are henceforth not to be considered as subjects for future colonization by any European powers".' It is an absolute impossibility for any European power to attempt to colonize any place in the American continents whatsoever. This is clear if only because (all the land of the American continents is now adjudged to definite nations) and all these nations who care to do so—most of them do—belong to the League of Nations, where their political integrity and independence and their territorial integrity are guaranteed, with the reservations I am going to explain in a minute.

2. Any effort to extend the European monarchical system 'to any portion of this hemisphere' would be considered as 'dangerous to our peace and safety'.

At present the fashion is for extending the American Republican system to European nations rather than the European monarchical system to American nations. Monarchs as you know, are no longer in the fashion, and therefore this point is entirely obsolete.

3. 'With the existing colonies or dependencies of any European power we have not interfered and shall not interfere.'

This point, assuming it was alive at all during the nineteenth century, which is not certain, at least not consistently, has gone by the board.

4. The determination of the United States not to become involved in European controversies is proclaimed '... in matters relating to themselves we have never taken any part, nor does it comport with our policy so to do. ...'

I think we have all heard about the Great War. This point has gone.

5. The policy of non-intervention by the United States in the affairs of other countries is announced. . . .

I need not say that if there is one thing about which we are all clear, it is that the Monroe Doctrine has not prevented American intervention in other American countries. That has gone. Please note that I am not opening the question of American intervention in other American countries. I am merely saying that in so far as the Monroe Doctrine meant to prohibit to the United States her intervention in other American countries, that point has gone.

Now this is a most extraordinary situation. We are in exactly the position in which Alice in Wonderland found

herself when the cat had gone. The cat had gone, but the grin remained. The five points of the Monroe Doctrine have gone, but the Monroe Doctrine is there all right, and I might even say that it is not only alive, but kicking. How is that? There is a doctrine deprived of its contents, and we have put other contents inside, and the Monroe Doctrine is still there. The old jar is still there, but the wine is new.

iv. *The Present Contents of the Doctrine.*

What are the present contents of the Monroe Doctrine? First, I suggest that the Monroe Doctrine means to-day in practice that the United States is a compulsory intermediary between European nations and American nations other than the United States whenever there is a conflict between them.) By some American critics desirous of limiting the Monroe Doctrine to its old content this is sometimes described as the Roosevelt Doctrine. Roosevelt, with his magnificent elasticity for leaping from one opinion to another, having said in 1901:

‘We do not guarantee any state against punishment if it misconducts itself, provided that punishment does not take the form of the acquisition of territory by any non-American power,’

went on in 1904 to declare:

‘Chronic wrongdoing, or an impotence which results in a general loosening of the ties of civilized society, may in America, as elsewhere, ultimately require intervention by some civilised nation, and in the Western Hemisphere the adherence of the United States to the Monroe Doctrine may force the United States, however reluctantly, in flagrant cases of such wrongdoing or impotence to the exercise of an international police power.’

Through this mechanism we have seen cases—we have seen in fact a growing habit in European nations of referring

difficulties between them and American States to Washington, so that Washington may take the matter up, and if things go awry exert the necessary pressure.

A second idea connected with the first, indeed connected with the first already in the words of President Roosevelt which I have just read to you, is that the American nation would appear before the world as the guarantor of the good international behaviour of the other nations of the continent.

(A third idea is the extension of the principle of self-defence to include the whole continent). If you read, for instance, the remarks which accompany the Senate's reservations to the Kellogg Pact, you will see clearly how the Monroe Doctrine is considered as an extension of the principle of self-defence in such a way that it would, by the sole decision of the United States, cover anything that happened anywhere in the American continent provided that the United States thought fit so to consider it.

Such is therefore the Monroe Doctrine with which I am going to deal. I do not propose to deal with the Monroe Doctrine of the past. I consider it dead. The five points of President Monroe have gone. None of them has any force in modern international life; none of them means anything. No one is thinking of monarchs nowadays, either over there or here. Monarchs do not matter to-day. No one is thinking of colonizing the American continent. No one is thinking of any of these things.

The Monroe Doctrine to-day means what it has been made to mean by the last Presidents who have interpreted it. It means first the compulsory intermediary action of the American nation as between European or extra-American nations and other American nations in the United States. It means secondly a tendency to regard the American nation as the

guarantor of the good behaviour of the other nations of the continent towards nations outside the continent. It means, thirdly, the indefinite extension of the principle of self-defence to cover anything that the American Government decides must be considered self-defence. And all that by the action of the absolutely unilateral interpretation of the doctrine which has been the fundamental principle, the only fundamental idea, running through the Monroe Doctrine from the very beginning under President Monroe until the present date. It is therefore with this doctrine, the doctrine that is alive and not the doctrine which is dead, that I am going to deal, and in dealing with it remember that we are not talking of the doctrine in itself but of its relations to the League of Nations.

I want to discuss first the doctrine and the South American nations in so far as they are Members, actual or potential, of the League of Nations, then the doctrine and the League of Nations, and finally the doctrine and the American nation in so far as the American nation is a potential Member of the League.

v. *The Monroe Doctrine and the South American Nations.*

As concerns the relations between the Monroe Doctrine and the South American nations, the Monroe Doctrine (considerably weakens the moral authority of the League of Nations in Spanish America.) For good or ill, there is a widespread opinion in Spanish America that, while under the Covenant the South American nations would be called upon to defend a big nation against an aggressor, they would not be in a position to benefit by similar action when attacked owing to the Monroe Doctrine. This opinion you will meet with everywhere in Spanish America. It is the well-known

question put by hecklers against pro-League speakers in the whole South American continent. It is true that it has been the object of one or two more or less official denials, the most direct of which is the one delivered by the Secretary-General of the League of Nations before a Committee of the House of Commons a few years ago in London. In this speech the Secretary-General expressed his opinion that Article 21 of the Covenant, which mentions the Monroe Doctrine, could not be interpreted as preventing the League of Nations from acting in the American continent according to the rules of the Covenant. And yet the uneasiness remains. We can see it in the attitude of Salvador when, before entering the League of Nations, it asked to have an interpretation of the doctrine from Washington, and Washington referred Salvador to a speech delivered by Mr. Wilson—then President Wilson—to a committee of the Pan-American Union for the Advancement of Science. We find it again in the correspondence between Costa Rica and the Council last year, previous to the return of Costa Rica to the League of Nations. Costa Rica asked that Article 21 should be interpreted. The interpretation of Article 21 is extremely easy because it does not mean anything at all. It might be as well if we read it:

‘Nothing in this Covenant shall be deemed to affect the validity of international engagements, such as treaties of arbitration or regional understandings like the Monroe doctrine, for securing the maintenance of peace.’

The sentence ‘regional understandings like the Monroe doctrine’ must be read in exactly the same way as we might read ‘fishes such as hippopotamuses’. The Monroe Doctrine is not a regional understanding. If there is one thing, let me say again, which stands out clearly from every pronounce-

ment, however differing in other contents, of every statesman, of every jurist, of every senator, of every publicist of America, it is that the Monroe Doctrine is a unilateral pronouncement of the United States, and that no one but the American Government can interpret, define, or apply it. I ask you, how can that be described as an international understanding. I was once told by a friend, either witty or half-witted—it is sometimes very difficult to decide the point—that it was a regional understanding because all the South American nations understood that they could do nothing with it! I leave it to you to decide whether the argument is valid.

You all know that the Argentine representative in the Committee on Arbitration and Security, having heard of Article 21 during the discussions, delivered himself of the following pronouncement:

‘It is my duty to make objections, in the name of historical accuracy, to the wording of Article 21.’

‘The Monroe Doctrine mentioned in the article is a political declaration of the United States. The policy expressed or enshrined in this declaration in opposing, when it was made, the designs of the Holy Alliance, and in removing the threat of a European reconquest of America, was, by a fortunate coincidence of principles, of very great service to us at the beginning of our existence. We fully recognize that in this sense the declaration has done and always will do great honor to the United States, whose political history contains so many fine pages with reference to freedom and justice. It would be untrue—it is, in fact, quite untrue—to give as Article 21 gives, even by way of an example, the name of regional agreement to a unilateral political declaration which has never, as far as I am aware, been explicitly approved by other American States.’

Señor Cantilo, the author of this declaration, was wise in

saying 'other American States', because we shall see in a minute that it has been approved sometimes by some of them.

The second effect of the Monroe Doctrine against the free extension of the League of Nations ideas in South America is that indirectly it tends to give the United States an exceptional political influence over South America, and particularly over some of the States of South America. It so happens that it is precisely in those States where the American influence is more intense that the League has not made much headway. Let me mention, for instance, Peru, Brazil, Nicaragua, Honduras: one of them has left the League, and the others remain with one foot outside, hardly ever coming to Geneva. Let me say again that they are nations in which, through the indirect operation of the doctrine, the influence of the United States, politically speaking, is exceptionally high. The situation tends also to keep States away from the League owing to the scepticism that develops in South American politics—in international politics—at the sight of the reservation which it makes of all the continent for American power independently of international power as represented by the League of Nations. There is in the declaration of the Monroe Doctrine, and particularly in its unilateral character, a certain defiance of the sovereignty of the other States of America which offends many of them, and, by a curious inversion of values, instead of bringing them closer to the League, keeps them away from it out of pure scepticism towards international values at all.

Finally, there is no question that the Monroe Doctrine, by the confusion that it creates as to the actual forces in operation in the international conscience, leads the United States of America now and then to international action which is not strictly in the spirit of the Covenant. I should not like to be

misinterpreted by my American friends. It is not my intention to suggest that the international behaviour of America is particularly bad as compared with the international behaviour of other nations. What I mean is that when the United States of America feel like undertaking some enterprise not strictly along the lines of international morality, they have a further argument to invoke in the Monroe Doctrine, and I would only mention to you the case, on which I must enlarge again a little later, of Nicaragua. Nicaragua, a Member of the League of Nations, entitled to protection under Article 10 by the Members of the League, cannot be said to have retained either its territorial integrity or its political independence entirely untouched during the last ten years. Yet no one in Geneva has turned a hair. This is not strictly due to the Monroe Doctrine; it is due rather to the power of the United States, but the Monroe Doctrine lends to it a colour of morality which it would otherwise be difficult to put on it.

vi. *The Monroe Doctrine and the Council of the League.*

Let me now come to the relations between the Monroe Doctrine and the Council of the League in general. (The Monroe Doctrine is evidently an obstacle to the free and easy action of the Council of the League of Nations in the American continent.) This is evident. Though Article 21, as we have just seen, does not mean anything, it is there in the Covenant for all that, and it can always be invoked either in private or in public. It can always exert a kind of moral pressure on either the members of the Council or the Members of the League desirous of extending the beneficent action of the League of Nations to the American continent. There is a typical case, that of Chile and Bolivia and Peru

when they found themselves in difficulties in one of the Assemblies of the League of Nations, Bolivia having complained about the way Chile had or had not applied the tenets of their treaty relating to peace. It is a curious case because it is a case in which a South American State found it convenient at the time to invoke the Monroe Doctrine in order to get rid of an unpleasant discussion before the Assembly. Chile wrote on 3 September 1921 to the Assembly refusing to have the question dealt with in Geneva:

‘A second consideration of a legal nature shows also, beyond any manner of doubt, that it is not within the competence of the Assembly to deal with Bolivia’s claim. This claim concerns an exclusively American affair.

‘The use, however, of the expression “regional understandings like the Monroe Doctrine”, in Article 21 of the Covenant, amounts to a formal recognition of the principle of American International Law, according to which the non-American States, and consequently the Assembly, cannot interfere in questions exclusively affecting countries of the New World.’

From the point of view of international law this argument is simply valueless, and only shows to what extremities a State may be reduced when it wishes to avoid a discussion. Chile has shown since such generosity and wisdom on the same question, that a frank criticism of her attitude when it first came before the League cannot be erroneously interpreted. Her argument then was valueless, yet it sufficed to jeopardize the action of the League of Nations.

We had the case of Paraguay and Bolivia not so very long ago, a case in which the Council of the League of Nations had before it two nations leaping at each other and actually in conflict, with bloodshed. There were obvious difficulties and delays, which in other circumstances might have been

dangerous, because of the fear in the Council of offending the susceptibilities of the United States by actually interfering to stop bloodshed between two Members of the League of Nations in a Reserved Continent.

There is finally the case of Panama and Costa Rica, in which there was a conflict of a less serious nature, but still quite a serious conflict, with which the Council might have dealt with more freedom and ease had it not been hindered in its work by the existence of these feelings that cluster round the idea of the Monroe Doctrine.

There is even a point which, though it occurred before the League of Nations was created, suggests to what an extent the existence of the Monroe Doctrine might be a serious hindrance to the development of sound international justice. Probably you know that as a preliminary to the building of the Nicaragua Canal the United States of America made a treaty with an amenable Nicaraguan Government, according to which the United States obtained special rights of navigation over the San Juan River, special privileges along that territory, and a long lease of the Bay of Fonseca, which is a natural bay and an ideal naval base for the defence of the Nicaraguan Canal in case of war. Several Central American countries objected to the treaty on the ground that it violated their rights, some of these nations being riparian with Nicaragua along the Bay of Fonseca, and some of them having, like Costa Rica, a special long-standing treaty according to which the rights of navigation along the San Juan River did not belong exclusively to Nicaragua but to the two countries. The matter was brought by the complaining States before the Central American Court of International Justice which had been set up a few years earlier under the auspices of the U.S.A. The Court found, in 1916 and 1917 respectively, that

Nicaragua had violated the rights of the nations which had complained. Both Nicaragua and the United States flouted the award of the Court. It is in fact one of the very few cases—I cannot remember another—of an award given by an international court of justice that has been flouted by the nations who ought to have accepted it. My point is that the existence of the Monroe Doctrine creates a kind of barrier between the American continent and the rest of the world which makes it possible for events such as this to occur, events that may have distressing consequences, because, as in this case, the treaty according to which the Court had been set up was immediately denounced by the signatory nations.

vii. *The Monroe Doctrine and the American Nation.*

This brings me naturally to speak of what I consider to be the most important point in connexion with the theme I am developing this afternoon, namely, the relations between the Monroe Doctrine and the American nation herself. I consider the American nation as a potential Member of the League of Nations because I consider the League of Nations as the manifestation of the present tendency towards the formation and development of a world community, and it matters very little whether a nation joins this year, in ten years, or in twenty years. Every nation is bound to join. That is why, contrary to the attitude of many of my friends, I have never been in a hurry about America joining the League. America will join: she will not join in a fit of absent-mindedness; she will join with her eyes wide open, knowing exactly what she is doing, exactly what obligations she incurs, exactly what freedoms she is bound to drop in order to attain to the higher freedom of co-operation and perhaps—I hope—of leading in co-operation. I am not in a hurry, but never-

theless, since I consider America as a potential Member of the League of Nations, I am rather interested in seeing that our future partner is not spoilt while she remains out, just as I would be interested, as the father of a family, in the mental, moral, and physical health of the lad who was to marry my daughter.

I am inclined to take rather a serious view of all circumstances and events which may tend to impair the sound judgement, to twist the capacity for thought and for sound action, of this very powerful nation. In this connexion the Monroe Doctrine seems to me wellnigh a calamity. First I believe that *it prevents right, clear thinking in America*) I would remind you that I am a Spaniard. Let us see what Americans say about it. Let us take an unimpeachable authority; for instance, the Secretary-General of the Pan-American Union, who should know all about the Monroe Doctrine, since he is the pivot of American policy in the American continent. Mr. Leo S. Rowe, quoted by Mr. Kirby Page, says that 'the words "Monroe Doctrine" have cast a kind of spell over the American people) which 'has precluded and still precludes a calm, dispassionate consideration of our international relations.' Let us take now Admiral Mahan, the great naval strategist of the American nation: 'The precise value of the Monroe Doctrine is understood very loosely by most Americans, but the effect of the familiar phrase has been to develop a *(national sensitiveness which is a more frequent cause of war than material interests.)* Though handicapped by my national limitations, I heartily agree with these two purely American opinions on a purely American feeling.

The second point which seems grave to me is that the Monroe Doctrine maintains the dogma of self-defence in a superlative degree of intensity. It fascinates the people of

America into thinking they must be in a state of self-defence. It puts them in the same state of hypersensitiveness which many an Englishman develops when the British Navy is discussed. Oh, the starving of England in two weeks, and the self-defence of poor little defenceless America! What terrific problems they are for the rest of the world! If only Nicaragua and Panama would stop threatening the security of America, if only Greece and Portugal would stop starving England, what tremendous progress the peace of the world would make! Think of these little nations, so unruly, armed to the teeth! Think of the Greek Navy and the Nicaraguan Army! These little nations are a terrible danger.

Worst of all, perhaps, the Monroe Doctrine seems to me to be dangerous in America at present because (it springs from an essentially un-co-operative and distrustful spirit) When the Treaty of Versailles was being discussed in the Senate, there was a fifth reservation, which I want to read because it expresses this feeling of non-co-operation and distrust:

‘The United States will not submit to arbitration or to inquiry by the Assembly or by the Council of the League of Nations, provided for in said treaty of peace, any questions which in the judgment of the United States depend upon or relate to its long-established policy commonly known as the Monroe Doctrine; said Doctrine is to be interpreted by the United States alone and is hereby declared to be wholly outside the jurisdiction of said League of Nations and entirely unaffected by any provision contained in the said treaty of peace.’

Now my conclusion would be first that the Monroe Doctrine is no longer what it was born to be, what it was most nobly, most generously, and most efficiently very often in the nineteenth century, that is, a guarantee of freedom and independence for the South American nations against Euro-

pean aggression.) It is no longer that. Second, it is no longer necessary that such a guarantee should exist, since there is the League of Nations.) Third, it is not, and never has been, a guarantee against abuse of power by the American nation herself over the smaller nations of South America.) Please note I do not say that there has ever been any abuse of power: I leave it to you. But if the case arose, the Monroe Doctrine would not be a guarantee, because we have chapter and verse for it that it is a unilateral declaration, and therefore, if the American nation was in a mood of aggression towards another smaller nation of the continent the Monroe Doctrine would not be a guarantee against it, and those nations remain without any guarantee whatsoever against attack or aggression by the most powerful nation within reach.

(What is the outcome of all this? That the Monroe Doctrine has been inverted in its operation. It acted at first by inspiring confidence in the South American States against aggression from Europe. It acts now by inspiring distrust in the South American nations against the United States. In the nineteenth century it shut out aggression from Europe on the South American nations. In the twentieth century it shuts out help from Europe against aggression from the United States.) You may say the United States do not think of being aggressors and never shall be. Do not say that: you never can tell. To begin with, no one knows when one is an aggressor. We have such an extraordinary capacity, all of us in all continents—and I would not really insult the American nation by suggesting that they differ from other men—for believing in ourselves that we would be perfectly capable of devouring a nation thinking we were taking the Holy Communion. Let us not go to sleep in the belief that our nation is not of that kind. We are all of that kind.

Then why preserve a doctrine which says the European system must not be extended to America? What is the European system? The European system in the nineteenth century meant kings and emperors, and—believe me—very often inoffensive and half-witted diplomatists who covered the emptiness of their skulls with very picturesque wigs. That has gone. The European system to-day is a continent keenly conscious that the nations must co-operate or die, and with a League of Nations and a Covenant against which I have never heard, either in this or any other continent, any reasonable argument put forward. Why not extend the good system now? . . . Even if you accept the view that in the nineteenth century America had the good system and Europe the bad, now it is the reverse: Europe has the good system and America the bad. It is not by a unilateral declaration of policy and nothing else that you are going to bring about friendly co-operation and real trust between European nations and the nations of America. It is by accepting the duties and obligations of the League of Nations, against which the Monroe Doctrine is a serious obstacle.

Then let me take the question of self-defence. The Monroe Doctrine, as I said a minute ago, is the doctrine, one might almost call it, of the hypertrophy of self-defence. How does the League of Nations deal with self-defence? It is a sacred right, say jurists and publicists. Yes, it is a sacred right like that of sovereignty. Unfortunately, as in the case of sovereignty, very few people can indulge in the exercise of such a right. Most nations have not got a sovereignty worth twopence, and those who have a sovereignty of sorts, what is it as a percentage of the sovereignty of the United States or—I cannot even say of the British Empire—let us say of Ireland, the only other sovereign State because it can say and do any-

thing it likes and no one is going to attack it behind the British fleet? Great Britain is the dog that is wagged by all its six tails. What is the sovereignty of Great Britain? Self-defence is exactly the same. You have as much self-defence as you have absolute power. But that kind of self-defence is not sacred. It must go. How does the League deal with self-defence? It respects the theory that every State must consider it as sacred. Sacred is a convenient word. It has a beautiful polish covering the hollow of its meaninglessness. In actual fact the League says you must defend yourself against attack, but you are not going to be the only judge of when you are defending yourself against attack.) We are going to pool self-defence. If any one attacks you, all are attacked, and then you may rely that all have to be defended in defending you. Self-defence isolated is a form of potential aggression. No longer is it legitimate to invoke self-defence, since the Covenant of the League of Nations has made it collective, and therefore at the moment when the League of Nations endeavours to limit self-defence and its abuses by pooling them, surely a doctrine that frankly stands out as the unlimited, unrestrained extension of self-defence is an obstacle to the peace of the world.

Let me ask, finally, is the Monroe Doctrine, limiting a continent, making of it a preserve, sensible in the twentieth century? What is a continent? Why should a continent be considered as more important than a sea? I claim that the nations that live on the shores of the Atlantic, on either side of the Atlantic, have more in common, have more frequent exchanges, than the nations that live in the same continents. I claim that the exchanges between South America and Spain, France and Italy on the one hand and North America, Canada, and Great Britain on the other, are far more intense

than the relations between North and South America. What is the American continent? It is an obsolete, a fossilized idea handed down from the time when a trip from Europe to America took months if the wind was contrary. To-day it takes less time to go from Paris to New York than from Paris to Moscow, and to-day you can ruin an American banker from Paris in three minutes. What is the good of talking of the American continent? The relations between Paris and New York, though I have not the figures, are, I imagine, ten times more intense than the relations between New York and Buenos Ayres, so what is the good of talking of the American continent? Look at a map in which you have marked the cables, the wireless communications, the telephones, and the steamship lines, and see if Europe is not wedged in between North and South America, right into the American continent. Is it possible, then, to argue that there is an especial community of life, so-called American? And what does 'Europe' and 'European' mean? The citizen of the United States is the only European there is. In Europe I know Frenchmen, Englishmen, Italians, Swedes: I have never seen a European in Europe, but in America they are all Europeans. If you take a chance American in the street there are strong chances that he will have in him at least 50 per cent. of the twenty or thirty European bloods. What is the good of pretending that he is a Spanish American, or that he can understand Spanish Americans better than Spaniards, Portuguese, Italians, or Frenchmen? There are a number of people deluded in the idea that there is such a thing as American international law. What is American international law? What principle lies behind it? What is the special basis on which you could maintain the existence of an American continent as different from a European continent? It is just as profound a delusion

as the well-meant delusion of those people, some in high society, who talk about the United States of Europe. Where is Europe? Where does it stop? To what belongs Great Britain, with its whale-like ability to float on the seas? Does it belong to Europe? Does it belong to, say, the Republic of Australia, the Empire of India, or the plains of Flanders? Where will you put Spain, whose main interests, albeit purely moral, are also beyond the seas? Where are you going to put Russia, three-fourths of which are Asiatic and the other fourth also? It seems to me that there is in all this, as Mr. Rowe said, a considerable amount of sensitiveness, a spell cast on the American people, and there is nothing more dangerous than this kind of spell cast on a nation's public opinion.

Here is a nation bred in Protestantism, with a Protestant tradition and with a republican tradition, the United States of America. Its foreign policy is guided by something which it calls the Monroe Doctrine and which might better be called the Monroe Dogma, for a dogma is something the meaning of which no one knows but no one allows to be touched, and that is a peculiarly Roman Catholic way of looking at politics. Here is an opinion republican in character, and yet in foreign affairs it speaks in exactly the tones in which the Tsar of All the Russias before the war spoke to his subjects. There is a ukase that in the American continent, as Secretary Olney once frankly said, 'the American fiat is law'. When a nation consciously facing towards the light is unconsciously kept looking towards the shadows, you may say that a spell has been cast on it. Well, let us dispel it.

CHAPTER V

ECONOMIC CAUSES OF WAR

Professor C. DELISLE BURNS:

THE subject for discussion is named in Section 5 of the Report of the Economic Consultative Committee for May 1929, which recommends the study of 'tendencies in financial and economic policy likely to create or destroy conditions favourable to peace'; for the Committee thought that the 'interdependence of these political and economic factors is becoming more and more evident'. Preliminary studies in the vaguest and therefore least provocative terms should soon be published. It is an old story. But just at the moment certain incidents have caught the attention even of optimists. The speech of M. Briand about a European tariff union, apparently opposed to the United States; the flaring up of a quarrel when the Chinese Government expelled Russians from the control of the Chinese Eastern Railway; recent disputes about oil; the raising of the tariffs in the United States—all go to show that economic rivalries stand in the way of peace. At a lunch with some bankers in Chicago last May I heard a story of a Brazilian business man being entertained by Senators and Congressmen at Washington. He was asked to speak and replied that he would, if he might give his friends an account of the effect of the United States tariff policy in South America. His hosts preferred him not to mention that subject; and so he said, 'Well, gentlemen, I have nothing more to say!' and sat down. In Washington, early in June, I heard, in the Senate debate, Senator Borah quoting Alexander Hamilton to show that if industries had tariffs, farm products ought to have financial assistance; and

I read of the protests of many Governments in regard to the new tariffs proposed by Congress. Obviously, therefore, the matter for our discussion is of immediate importance.

i. *The Danger of Metaphors in Economic Thought.*

Economic rivalries between groups of capital-owners or traders in different States have, in the past, been contributing causes of war. The desire for an income from investments or from commercial transactions has not been the chief cause of any war; but such desires go to support a dislike of foreigners, a suspicion or fear of their growing power, or an enthusiasm for spreading one's own type of custom, which is called a 'civilizing mission': and all these quaint desires and passions tend towards war. In order to understand the present situation, therefore, it need not be assumed that a future war will be caused directly by economic rivalries; but it must be assumed that a policy of peace is obstructed by the economic policy of some Governments and the appetites of some traders and financiers. We are not concerned here with ancient history; and even the history of the recent past immediately before the Great War may be misleading, if we base our present policy upon it: for the organization of finance and industry has changed very greatly since 1914. But old tendencies in commerce and finance still survive; and the new Nationalisms receive support from old habits in buying and selling. (The rivalries of traders or financiers to-day may therefore cause a situation which makes war more likely; and a war which arises out of economic claims can easily be believed to be a war of 'self-defence', which is still believed by many to be justifiable.) At any rate, economic rivalries provide the excuse for preparing for self-defence; and the arms so prepared are themselves causes of war, since

they make neighbours suspicious. Economic reasons are given for the maintenance of navies: in Great Britain the Admiralty says 'trade routes' and 'food from overseas'; in the United States the admirals say 'protection of commerce from blockade measures'. Admirals do not understand modern finance or commerce: but neither do those who are frightened by admirals into attempting to defend a 'trade route' like Nelson, or to resist blockade in the manner of 1812. It would be foolish, however, in the present situation, to be an alarmist about economic rivalries. (There is not the smallest ground for expecting an Anglo-American war because of the increase of American exports: nor need any war arise because the French exclude foreign capital from their colonies. The only danger in this section of international intercourse is that trading rivals may work up national passions;) and even if they attempt to do so, the common man is less gullible now than he was before the days of official communiqués. Far more reasonably we may consider the use of economic interests for the promotion of peace; for although economic rivalries may cause wars, the normal desire for more and better goods, that is to say, economic needs, can be made to support the co-operation of Governments. (The economic work of the League, for example, is much less a prevention of war than a positive promotion of peace. If men learn to think in terms of bread and cinemas instead of glory or prestige, war is far less likely.) Indeed the dangers of war before 1914, which arose partially from economic rivalries, would not have arisen at all if economic rivalries had not been confused with the prestige of 'a place in the sun' or 'painting the map red'. Diplomats, who never understood either finance or commerce, used or were used by financiers and traders, who puffed themselves out as 'England', or

'Germany', or 'France', and persuaded themselves and others that it was for the glory of their country if a railway, for example, could be controlled by them, not because they were more efficient but because of the language they spoke or intended to speak when they found it convenient to be naturalized. It is, of course, an advantage in terms of cash to you, if you and not a foreigner can secure the returns on a new enterprise; but sometimes you gain more cash by letting the foreigner burn his fingers first. And in any case I, who as a trade rival of yours at home or as a working man, derive no advantage from your cash, fail to see why I should go to war and kill or be killed in order that your view of your prospective advantages may be supported. However, reason and scepticism may not be adequate when financiers fill the press with talk of 'American' interests in rubber or oil or 'British' interests in railways in the Portuguese colonies. Again, if economic needs were conceived in terms of bread and cinemas, the mythology of national rivalries would not arise: but economic needs are usually conceived in terms of money-values. The proceeds of an enterprise are reckoned by the owners of the capital employed in terms of 'profits', that is money, not service nor goods. One does not read in Company Reports that a rubber plantation company has provided so many motor-cars with better tires, but that the owners of the capital have gained so much cash. Thus the general advantage of economic enterprise, the extension of services among those who can use them, is not perceived. The advantage in each enterprise is conceived to go to the capital-owners in it; and competition is thought of as a rivalry between groups of capital-owners, which is easily expressed in the metaphors and attitudes of war. It is difficult to be willing to fight another person because he is helping natives;

but it is easy enough to fight him because he is getting more cash than you do from trade with natives. In that sense the 'capitalist system' is a cause of war, as some Marxists say; but of course it is not the only or the chief cause of war, even in purely economic issues. The Soviet Government, for example, is quite prepared to fight for Georgian oil, although no profits for wicked capital-owners are at stake. War for economic ends occurred long before there was any capitalist system, as we may read in Thucydides. Nevertheless, the prevailing metaphors of economic thought, in which competition is treated as 'a fight for markets', and the purpose of enterprise is conceived to be private gain in cash—these metaphors do make it easier for war to arise out of trade rivalries. Thus, although in the abstract economic development should be a cause of peace, in practice, because of certain inherited beliefs, the rivalry of traders and the struggle for money-profits make economic activities tend towards war.

ii. *Examples of Wars promoted by Economic Measures.*

The innocence of some advocates of peace makes it necessary to remind ourselves of tendencies still surviving from the past by reference to facts already sufficiently distant in time to be almost uncontroversial. Unfortunately, the evidence of what happens to-day is contained in private unrecorded conversations, in obscure financial journals, and in action taken in far-off corners; so that it is not possible to prove by documents what every one should know—that exactly the same game is being played now that was played before the Great War in diplomatic threats for financial advantage, alliances cemented by loans, trade rivalries causing new naval dockyards, and the rest. However, a few old examples may indicate that wars are promoted by economic measures.

In 1887 Bismarck forbade the German banks to use Russian bonds as collateral for loans and thus threw Russia into the arms of France; for the Russian Government found loans in Paris. The French Government later used its power over the Paris banks to stop Russian borrowing until Russia contracted a military alliance with France. In 1909 Serbia wanted a loan in Paris, and the French Government refused consent unless Serbia gave to the Schneider armament firm a contract which it was already in process of negotiating with Krupp. Serbia indicated that Krupp offered lower prices. The French Government used pressure on Schneider to undercut the Krupp prices. Schneider obtained the contract; and Serbia was permitted to float a loan in Paris.¹ The action of the German Government in the promotion of loans to Bulgaria and Turkey similarly committed those two countries to Germany's side in 1914; and the French Government's blockade on loans for Italy in the 1880's, as well as the progress of German banks in Italy before the war, made it uncertain which way 'sacro egoismo' would react until 1916. In most of the European cases, the diplomatists or statesmen used financiers; and bankers were certainly not the villains of the piece. They were used for support in a military-diplomatic struggle. English bankers were not so easily used by the British diplomatists; but Lansdowne contrived to play a move in the game of financing Russia in 1905, and Grey in the Baghdad Railway game in 1913. All statesmen in all great countries were acting with the best intentions for the

¹ J. Viner, 'Political Aspects of International Finance, ii': *Journal of Business of the University of Chicago*, July 1928, p. 353. The two articles by Professor Viner and his 'International Finance and Diplomacy, 1880-1914', in the *South-Western Pol. and Soc. Sci. Quarterly*, March 1929, are most brilliant and valuable studies.

'legitimate interests' of their several nations; but they threw gold into the balance of power and there was war! ¹ The alignment of the armies in 1914-18 was the same as the alignment of the financial houses. Economic rivalries were used to support a military-diplomatic 'balance'.

Outside Europe, before the war, one finds traders and financiers using their Governments to increase their profits, just as frequently as diplomatists used financiers. The old game was soon learnt by the United States. The story of Willard Straight in China has not been fully revealed; but we know some interesting facts. Straight and his friend Harriman were pushing a loan for Manchurian railways and secured the support of the State Department. Straight was then appointed Consul in Manchuria, owing to influence exerted at Washington by Harriman. Straight, as Consul, then pressed the State Department to demand American participation in railway financing in China and in the new Consortium. As soon as the United States Government had compelled the other Governments to grant that right, Harriman organized the banking group for the loan, Straight resigned his consular appointment and became representative of the banking group in China.² Thus a financial group, perhaps again with the best of intentions, committed their Government to diplomatic and therefore possibly warlike support of their interests abroad. War actually occurred as a result of similar entanglements in South Africa: and the Russo-Japanese war, since in that case both Governments were indistinguishable from the financial groups in control of them, may also be traced to economic pressure.

¹ See the classical study by H. N. Brailsford, *The War of Steel and Gold*, published in 1914, a few months before the war.

² The story is told with suitable reserve in Herbert Croly's *Willard Straight*.

It is unnecessary to repeat the old story of armament firms before the war, which has been told in Perris's *War Traders*; but obviously the piling up of armaments was due to the possibly well-intentioned bribes of armament firms given to Japanese admirals for ordering warships, to German admirals by Krupps; and the increase in the British navy after 1908 was due to the activities of the directors of the Coventry Ordnance Works in promoting the sale of warships.

iii. *Persistence of the Same Tendencies.*

Perhaps the innocent believe that those bad old days are over. All that has been so far mentioned happened before 'the war to end war'. The League has now been established for ten years. All Governments have recently pronounced a new ban on war. Noble sentiments are expressed in League Conferences and even commercial magnates praise peace. And yet . . . and yet . . . examples can be found within the past ten years of exactly the same diplomacy as prevailed before the war. Armament firms still keep agents in small countries to promote 'self-defence'; traders still use their Governments to obstruct their rivals; and the new Nationalism reinforces the most obsolete commercial isolationism, as if Protection and not Free Trade were something new in human history. The situation is very much worse than it can be shown to be by published evidence, for the operations of Governments and financiers are more skilfully disguised by noble phrases than in the days before 'propaganda' was fully developed. But it may be worth while to note some definite examples of economic tendencies towards war. One definite example is worth ten vague generalizations. The present economic habits which tend towards war are as follows. First, tariffs and other obstacles to trade. By such means Governments, in order to

'protect' certain groups of manufacturers or traders within their borders, create difficulties for the commercial rivals of these trades outside their borders. Hence at least irritation, if not hostility; especially if the obstacles to trade are continually being changed, for the sore spot is made sorer by continual meddling. The League's Economic Conference of 1927 agreed that obstacles to trade were bad for trade and for peace. The result of that Conference has been practically nothing at all! The Economic Consultative Committee of May 1929 reports that 'the tariff changes during the year include a number of *increases in rates of duty*'. The United States stands out as an extreme example of support to this tendency towards war. Two new countries having acquired tariff autonomy—Persia and China—have introduced new tariffs. While we are sitting here, in August 1929, the Swiss Government is engaged in introducing a new tariff against Danish butter. The German Reichstag has raised the duty against Finnish butter; and the *Finnish Trade Review* for 31 July 1929 remarks that 'the policy now prevailing in Germany shows once again the weak foundation on which the work of the League of Nations and other international organizations for facilitating international trade by means of lower customs is based'. Advocates of the League system must give up counting the number of noble Resolutions and Conventions registered under League auspices until some *action* is taken. We are being hoodwinked by elaborate camouflage of the real policy of Governments and peoples—for the peoples support the Governments in these matters. Every one loves peace—in the abstract.

Secondly, capital investment in natural resources or raw material by rival groups in foreign States tends to commit different Governments to support of this or that group. The

outstanding example at present is in the oil trade. Governments need oil resources in case of war, for ships, aeroplanes, and motor transport. The British people are owners of part of the Anglo-Persian Company. The American people have oil lands. But private groups in the different nations are used by Governments and themselves use the diplomatists. The Shell-Royal Dutch group is in the control of British citizens: the Standard Oil group in the control of citizens of the United States. Sir H. Deterding and Mr. Rockefeller are the dominant personalities. I cannot see why I should prepare to shoot Professor Merriam of Chicago or he should prepare to shoot me if Mr. Rockefeller sells more oil than Sir H. Deterding; but that is what is meant when it is said that 'we fight for oil'.¹ At any rate powerful oil groups do influence certain Governments; and one Government, the Soviet Government, has become an oil-trading concern. The possession of oil by the Soviet Government led in 1922 to negotiations between that Government and 'Shell' for the sale of Russian oil to 'Shell'; but when the Standard Oil group discovered this, protests were made, leading to an agreement that neither group would make special arrangements with the Soviet. The Genoa Conference of the Government in 1922 was saturated with oil. By the San Remo Agreement the French Government got 25 per cent. of the prospective oil from Iraq. A few years after, about 1926, Standard Oil made an arrangement to purchase oil from the Russians for sale at Suez and in the near East, which seems to have enraged the Shell group. A violent propaganda appeared in the British Press against

¹ See *We fight for Oil*, by Ludwell Denny. Knopf, New York, 1928. A most misleading book, which takes the voice of financiers for the voice of Great Britain: but, as Mr. Belloc has said, 'These are the men who make England what they are'.

'stolen' oil. It was very 'criminal' for Standard Oil to sell what a few years before 'Shell' had been arranging to sell! A company, the Russian Oil Products Company, actually formed in London, began to sell Soviet oil in England! And in May 1927 a loan was almost arranged by London banks for the Russian Government, when the wickedness of the Soviet became suddenly so disturbing that a police raid was organized by the Home Secretary on the Russian Trade Offices, Arcos, in London. Nothing at all incriminating was found, which clearly showed how subtle the Russians were; but the Foreign Secretary was able to quote documents found in China! Very old reasons for the British Government's indignation were offered; but the net result was the stoppage of the negotiations for credit to the Soviet Government in the City of London and the severance of diplomatic relations between that Government and the British Government, with consequent limitation of the prospects for the sale of Russian oil. In the United States the Government opposes all attempts to float loans for trade with Russia: as an official says, 'if any banker should consult the Department of State as to a loan to the Soviet Government of Russia the answer would be a prompt refusal'—which, in spite of obscure phrasing, is evidently intended to have a quite definite meaning. Indeed, even an attempt to float a loan *in Germany* for trade with Russia was stopped by the State Department. Further, the State Department allowed other loans to the São Paulo State in Brazil, but opposed any loan for coffee price stabilization.¹ But it should be noted that this embargo looked very different in Brazil, where it was believed that 'a powerful group of speculators on the Boston Stock Exchange'

¹ See J. Viner, 'Political Aspects of International Finance', *Journal of Business*, April 1928, pp. 172, 173.

were the real gainers in the attempt to attack the Brazilian State policy.¹ The point is that Governments may easily become instruments of trading or financial groups, and even to-day may thus find themselves in opposition to other Governments.

President Hoover, when he was Secretary of Commerce, pointed out that 'there are at present governmentally controlled combinations in nine raw materials . . . and there are some twenty or thirty other commodities in the world which could likewise be controlled by the action of one government or by agreement between two governments'.² He believed that 'this situation not only threatens the sane progress of the world but involves great dangers to international goodwill'; but it is not recorded whether he thinks the same of high tariffs. However that may be, the United States Government uses its control of loans in tariff controversies; as, for example, in 1927, when a tariff controversy with France was being carried on, 'the State Department announced that the Government would not object to a refunding at a lower rate of interest of the French 8 per cent. loan of 1920'.³ Thus the United States Government is quite prepared to use its financial power to attain its end, as any European Government was in 1906 or 1912; and yet apparently no objection was made by the State Department to the use of an American loan by Bolivia for buying armaments from the trade in the United States.

Such loans, raised by the banks of one country for the

¹ See speech of President of São Paulo in *The Times*, 4 September 1929, p. 18.

² *Trade Bulletin U.S. Dept. of Commerce*, No. 385; quoted in Moon, *Imperialism and World Politics*, p. 546.

³ J. Viner, *Journal of Business*, July 1928, p. 362.

Government of another, have recently, as in pre-war days, increased the chances of war, especially such loans as are spent in the lending country on armaments for the borrowing Government. The Bolivia-Paraguay Dispute of December 1928 will be remembered; it was fortunately settled by the use of 'influence' in persuading two members of the League not to go to war. But how much better it would have been if the dispute had never arisen; for one at least of its causes was the use of loans in increasing armaments. Two loans were floated in New York, in February 1927 and September 1928, for the Bolivian Government. The announcement of the first loan said that it was to be used for a railroad 'and for other purposes'; but in March 1928 the President of Bolivia, under the influence of 'public opinion',¹ announced that a large part of the loan had been used for 'national defence'—in plain terms, armaments from the United States. This made the second loan necessary; and it is not yet known whether any of this has also been used for armaments. But the Paraguay Government knew of Bolivia's arming; and this fact—not the vague professions of 'League' principles by both parties—made all the difference. Similarly, in Europe the old game is to be seen in the French Government's policy, under M. Poincaré, in 1923. On 17 December 1923 the French Senate, confirming the vote of the Chamber, voted credits of 400 million francs to Poland, 300 million to Yugoslavia *for the purchase of munitions of war* in France. These credits were accepted by Poland and Yugoslavia, but a similar credit offered by the French Government to Rumania was refused at the time.² The purpose of the French Govern-

¹ See above, page 97.

² See Toynbee, *Survey of International Affairs*, 1924, p. 443. See also *Economist*, 8 December 1923, p. 1,006.

ment was not only to dump surplus war stores on Rumania, but also to secure 'French control of foreign oil supplies to ensure independence in time of war'. A new group, the *Syndicat Française d'Études Petrolifères*, using banks and commercial houses, was formed by the French Government; but the 'Royal Dutch' were believed by the Rumanians to be behind the French, and the loan fell through. Thus the Poincaré Government was following exactly that method of diplomacy, with close co-operation of the armament firms, which prefaced the Great War; and that at a time when noble professions were expressed at Geneva, when France and the other countries concerned were not able to pay their debts to Great Britain, and when Germany was disarmed and the old Austria non-existent. Here is indeed an economic tendency pointing towards future war.

Similarly, the Italian Government, in October 1926, made overtures to Hungary for the opening of a port for Hungarian trade on Italian soil, thus opposing Yugoslavia's effort to grant a free zone in *her* territory for Hungary, and rousing in Yugoslavia the belief that Italy was engineering a military 'encirclement'. The importation of parts of machine-guns, in January 1928, into Hungary from Italy may have been 'private enterprise'; but it is generally felt by the neighbours of Hungary that her reactionary forces are supported by the Italians. The Governments of the Little Entente having protested to the League, a Commission was appointed. Experts counted the parts of the guns, which had been exported with a false way-bill; but no plain statement has even been made as to the purchaser of the war material. The Report of the Commission (11 May 1928) says that 'the incident shows the need of ratifying the Convention on Control of Trade in Arms' of 1925; one of the obstacles to ratification,

however, is the unwillingness of the United States Government to supervise American exports of arms. Another amusing incident in the old manner is the Italian loan to Rumania in May 1926. The first announcement said that the loan would be used by the Rumanian Government for 'alcuni importanti acquisti'—some important purchases in Italy! So the *Corriere della Sera* of 30 May. On 17 June the *Manchester Guardian* revealed that the purchases were, among other things, two destroyers. The Russian Government urged the Turkish Government to prevent the destroyers reaching Rumania through the Dardanelles: but the Turkish Government replied that the Lausanne Treaty did not give it power to do so. On 10 June, the Fascist *Impero* noted that 'the economic struggle—for oil—may develop into military war'; but on 2 July both *The Times* and *Le Temps* remain quite innocent. *Le Temps* spoke of the Italian 'goods' for Rumania as 'matériaux d'industrie', which *The Times* translates 'materials' in the obviously official news item. However, on 28 August 1926 *Le Temps* confesses that the loan is 'consacré—a good word!—'aux besoins urgents de l'armée roumaine': and we learn that the Rumanian Government is still expecting two cruisers, one submarine, and a submarine supply ship. Evidently, Italy as well as France can play at financial military diplomacy in the old manner of 1906 and 1912. This is the world in which noble speeches are made at Geneva.

iv. *Migration.*

Another great section of economic issues which may tend to war is migration and the treatment of foreign nationals resident in any country. The exclusion of Japanese from the United States, Canada, and Australia seems to be less pro-

vocative now than it was fifty years ago; because Japan, instead of exporting population is being industrialized and is exporting cotton and other goods. But discrimination against any race or nation tends to produce hostile feelings which may at any moment flare up in support of war; and the refusal by immigration countries even to consider the interests of countries of emigration is hardly consonant with a policy of peace. The whole problem of migration is considered so dangerous that the League has hardly attempted to face it, although two Conferences, in 1924 in Rome and in 1928 in Cuba, have permitted quite contradictory principles to be announced by the spokesmen of different countries as equally obvious and true! The I.L.O. publishes full information as to migration: and even that may be regarded as an advance, since the whole situation changed after 1914. But there are no signs yet of any general agreement as to the right of entry or the right of exclusion, although a few special agreements have been made, as, for example, that between the Italian and Australian Governments. A somewhat novel issue has been created by the Italian Government's attempt to retain as citizens Italians who reside in France and elsewhere. There are now about 2,800,000 foreigners resident in France, of whom about 800,000 are Italians, mostly living in groups and even villages separate from the French. Clearly it will be difficult for France if there are in her midst alien groups not fulfilling the obligations of French citizenship while accepting its advantages and owing allegiance to a foreign Government. A similar issue appears in Tunis, where, under French jurisdiction, there are many Italians resident. Such situations have led in the past to war; and there is no attempt being made in the League system to forestall a crisis arising between Great Powers. To speak plainly, the Italian Government has not

the smallest intention of allowing the League to touch either its policy with regard to its nationals abroad or its own suppression of alien nationalities in the Tyrol and on the Dalmatian coast. What would happen if the French Government took such measures to make Italians in France into Frenchmen as the Italian Government is taking to make Germans and Slovenes into Italians? It is usually regarded as impolitic to refer to such matters at Geneva; and therefore the impression arises that the League system is useful for avoiding—not war, but the mention of the obvious causes of war. That is to say, the League system seems to many to be an elaborate camouflage for the practice of the traditional diplomacy.

v. Rivalry in Undeveloped Areas.

Another instance of an economic tendency towards war is the present method for the development of new parts of the world or of new resources. This provides opportunity for gain which may give rise to economic rivalries, easily passing into warlike measures. Africa from Tunis to the Congo and from French West Africa or Liberia to Abyssinia is the new battle-ground. The United States Government backs the Firestone exploitation of Liberia: ¹ the Belgians 'industrialize' natives in their Congo mines: the Italian Government has its eyes on Tunisia. Thus, quite outside the purview of most advocates of the League system, new causes of possible war arise. Among the chief economic issues which may cause war is the development of China, and especially its outlying districts, such as Manchuria. China is being gradually industrialized, not only by the introduction of European commerce and manufacture, but by the Chinese themselves. In 1895

¹ See Buell, *Native Problems in Africa*, ii, p. 818.

the first modern factory was established in China; and by 1922 there were 19,000 such factories using steam or electrical power. The exports of China were valued in 1923 at £20,000,000. With a large supply of labour and natural resources, together with practical ability not surpassed elsewhere, the Chinese are likely to enter all the commercial fields hitherto monopolized by Europeans; and this will certainly be resented by European traders.

But China is already restless in regard to commitments made some time ago. For example, the Japanese dominate the South Manchurian Railway: financially and by military force they have control of all Southern Manchuria, where the population is mainly Chinese. The recent dispute, July 1929, between the Soviet Government and the Chinese Government, on the seizure of the East Manchurian Railway by the Chinese, is a reminder of another possible economic cause of war. Again, the so-called 'unequal treaties' between European Governments and former Chinese Governments were mainly aimed at advantages for European traders in China. The sending of the British Shanghai Defence Force to Shanghai in 1927 had an economic cause, if we are to ask the reason why 'women and children' from England were in Shanghai. (The Secretary of the Navy in the United States Government in 1923 gave as one reason for the need for warships that there might be 'an American child crying on the banks of the Yangtse'), but the children of missionaries do not need assistance from warships as often as the children of traders; and less defence of Europeans in China would have been needed if the armament traders of all 'Western' nations had not supplied the Chinese with modern weapons. Even since the Armistice of 1918 the European armament firms and the American have supplied the Chinese with new

weapons; and the 'Western' warships, which could easily have enforced in Chinese water the Convention against the traffic in arms, did absolutely nothing to prevent their own nationals deriving gain by supporting the military groups in China. How can one take seriously the professions of Governments when they say that they are working for peace? But why blame Governments? Most ordinary folk in all countries have no objection to hurting foreign people's trade if it helps their own, and no objection to getting money from work on munitions which may injure foreign people. In such a world peace is still insecure.

vi. Profession and Practice.

It is not only under League auspices that noble sentiments are ill attuned to actual practice. The Congress of the International Chamber of Commerce, in July 1929, passed the following Resolution (No. 40):

'One of the most cherished ideals of the business men of the world has always been the preservation of permanent peace and the settlement of all differences between nations by means of conciliation and arbitration.

'The International Chamber of Commerce is convinced that the world of business must devote itself zealously to promoting the conception of peace summed up in the words Security, Arbitration, and Disarmament, and must exert its influence to prevent causes of economic friction which may result in war.'

But perhaps the great armament firms were not represented at that Congress, nor the motor manufacturers of Great Britain, nor the butter-makers of Switzerland or Germany, nor the many 'business lobbyists' at Washington during the tariff debates of June 1929. One wonders whether there is only a stage army which passes the same Resolution in dif-

ferent places and is quite ineffectual in fighting the protectionist economic groups on the real battle-fields of national legislatures. But it should not be cynically assumed that virtuous professions are used only to cover old vices. There may have been some change for the better since the League was established—in the abolition of secret treaties, for example! Or perhaps financiers no longer call at Foreign Offices but always practice ‘open’ diplomacy at Geneva! Or perhaps diplomatists never receive hints from financiers as to how to increase their own incomes by investments in foreign currencies! Or perhaps Governments are never pressed by armament firms for leave to export arms in order to increase employment at home! In so benignant an atmosphere as that of Geneva one hardly likes to appear suspicious. At any rate, some new methods have been introduced in the League system which may obviate dangers of rivalry in economic matters. For example, the Reconstruction loans for Austria and Hungary promoted under the auspices of the League have shown what can be done by international co-operation to avoid the tying of a debtor Government to the financiers of some one foreign country. It is not always the bondholders who are at fault when a quarrel arises with a debtor Government. The so-called ‘Drago’ doctrine is based upon a certain prejudice against those from whom one has received benefits, as Gibbon would have observed. Debtor Governments are sometimes fraudulent gangs of military brigands, who are obsessed with the desire for cash. But in any case international supervision of the loans raised by Governments is no bad plan. The sections of the ‘League’ loans placed on the London and Paris and other markets were, of course, raised separately: and there was no control to prevent conditions being attached to each such section. In

theory, the London section of the loan could have been governed by the condition that the debtor Government should purchase goods from England. That did not in fact occur: but League loans should be guarded by some more public Convention or Agreement than they have been. In any case it is a step forward to have disconnected loans from nationalistic diplomacy, through the use of the League system.

Again, a League Committee has promoted a general form of bilateral Convention for double Taxation and tax evasion, which Convention would assist in the free circulation of capital from country to country.¹ Also a Conference is being organized under League auspices for November 1929 on the Treatment of Foreigners resident in any country. If such a Conference succeeds, the free movement of men of ability and enterprise will be assisted: the aim is to secure equality of treatment in every country as between nationals and foreigners.² By such definite, if limited, measures the economic development of the resources of the world may be made to subserve the cause of peace. The hope is great, even if the distance we have still to traverse on the road to peace is long. Economic tendencies may yet be used to counteract nationalism; but that would involve a revolution in practical diplomacy. In order to counteract the possible use of economic activities in support of tendencies towards war, new principles would have to operate in international policy. And new principles, in this sense of the phrase, are not virtuous professions nor even moral commandments; they are general rules observable in the practices of Statesmen or

¹ See League Document C. 562. 17. 178. October 1928.

² See *Preparatory Documents for the International Conference*. League Document C.I.T.E.I. March 1929.

Governments. Thus when the relations of men in society were dominated by the conception of Status, we had feudalism: and a new principle operated when it became clear in experience that men were related by contract, not by Status. New principles are never in operation until the statement of those principles is a description of fact. Similarly in the relation of Governments, the new principles will be general statements of fact derivable from the observation of practice, when it is possible to say truly that each Government does not aim only at the advantage of its own people. At present each body of old gentlemen, calling themselves a Government, thinks and acts on the assumption 'Each nation for itself'. Egoistic nationalism is just as obvious in the case of the American Government as it is in the case of the Italian or the French, although the professed creed of the Government is different. But the situation may change.

The alternative situation cannot be described in detail, for we have no experience of policy based upon skilled co-operation in the economic activities of Governments and it is useless here to discuss Utopia. But some indications can be given, from a study of exceptional moments or events, of the principles which would govern policy if egoistic nationalism were less prevalent. For example, with regard to tariffs it would be assumed in practice that no Government would change a tariff-rate without full consideration of the effects such a change would have on foreign nations. That is to say, the British Parliament, for example, would consider what effect a tariff on embroidery would have upon employment in Switzerland; and it would be regarded as an argument against, not an argument in favour of, a tariff that it injured foreign workers. Or again, the United States Congress would consider what effect a tariff on textiles would have on the

textile workers of Bradford in England, and to injure them would be regarded as an objectionable form of economic boycott or war. Similarly with the French tariff or the German: each Government or Assembly would at least refer to evil done abroad as regrettable. But now such evil is *desired* as a means to 'our' good; and we are in every nation very far from the attitude in economic affairs which alone is consistent with our professed admiration for peace.

Similarly new principles in regard to migration would govern policy, but for egoistic nationalism. No one imagines that each person or any group of persons, of whatever race, religion, or language, should be free to settle anywhere. You are not 'free' to erect a soap factory at my back-door. There are no 'natural rights of the individual' such as the French Revolutionary declarations assumed; for all rights arise out of social relations within or between definite and distinct social wholes. But, on the other hand, no one man nor one Government or people is the final judge of what is best for all; and what is best for all must at any rate be considered worth discovering, if we do not know what it is. The principle operative with regard to migration in a more civilized society would be the fullest use of available brains or muscle for the development of the social and natural resources of any territory. In practice—since we do not know what this would involve in the way of foreign entries into any territory—this would oblige each Government to state before an International Migration Commission the reasons for its policy, the social criteria it proposed for its people in their cultural development; and it would include the submission of each Government to criticism from outside. It is not to be imagined that any International Authority will ever have or should have power to compel inclusion or exclusion of any persons in any

territory. It is assumed that the inhabitants of a house should have the decision as to their lodgers if not as to their neighbours. We cannot attain genuine co-operation by means of subordination to a central Authority. All that is suggested, therefore, is international consultation and advice and free criticism as a preliminary to responsible action by any Government. When that stage has been reached, it will be soon enough to discuss what colour the future inhabitants of the United States or Australia should be. France has apparently already decided upon a mixed tint, Italy upon an experiment in inbreeding, and other countries might have other ideas, if any people could allow themselves to think of such subjects without losing their tempers.

Again, with regard to the development of natural resources, when egoistic nationalism is less prevalent the policy of each Government will promote the use and extension of available resources in every part of the world by all means not destructive of the admirable variety of language, custom, racial type, or natural circumstances. But we have no skill yet in such a far-sighted policy. Each Government and people, like each group of rival traders, is scrambling for scraps when they might co-operate to increase the supply.

As a minor point of method it may be suggested that the League system is defective in economic matters largely because it is too completely centralized at Geneva. Tariff decisions, the influence of diplomacy on foreign investment, and other such economic activities do not occur at Geneva, but in London, Paris, Berlin, and Washington. Now the League is in London, Paris, and the other capitals: and it is dangerous to imagine that only what happens in Geneva is League action. Therefore, if the League system is to be effectual in economic affairs, League organizations must

operate in financial and commercial centres. The League must be decentralized. Occasional visits of members of the Secretariat are not enough. Loans are not arranged only when Sir Arthur Salter is visiting a Central Bank. The League system in fact must become much more like the diplomatic system, if it is to counteract the old tendency to use economic pressures which may lead to war.

It must be understood, however, that this is speculation as to the future development of the League. We must all be aware that, in the present prevalence of egoistic nationalism, to place a League finance section in London would be to 'nationalize' its tendencies. Every one knows how dangerous the 'atmosphere' of a capital may be for an international Conference, as we have seen it admitted in the recent controversy about the place for the meeting of the Conference on the Young Report. The French Government refused to come to London, the German refused to come to Paris, and several Governments objected to Brussels. The neutral atmosphere of The Hague was finally chosen. Similarly, for many years League economic and financial activities may best be centralized in Geneva; but as the experience of co-operation increases, the League should be able to survive a closer contact with the capitals of the world. And when Statesmen act in Paris and Rome, and Berlin, and Prague, and Belgrade, and London as, when at Geneva, they profess to act, then indeed the economic development of civilized life may cease to provide new excuses for war and may actually be used to promote peace.

CHAPTER VI

INTERNATIONAL RELATIONS IN MANCHURIA

Professor W. J. HINTON:

IT has been obvious for some time that Manchuria and Mongolia are the storm-centres of Far Eastern politics. Questions of special privileges at the treaty ports, and of extra-territoriality, seem to be on the way to a settlement, but the problem of reconciling Chinese and Japanese feelings and aspirations in Manchuria appears as insoluble as ever. The other party to the three-cornered Manchurian duel is Russia, who, for the moment at least, is having the worst of matters, and being forced out of Northern Manchuria. But to compensate for this she has a firm grip on outer Mongolia, which, though nominally independent, is being rapidly made into a Russian dependency.

It is freely stated that nothing short of defeat in battle will drive the Japanese out of Manchuria; if that is so, then the world must some day experience the horrors of a first-class war, with Manchuria as both the cockpit and the stakes. For the Chinese will not leave Manchuria to be dominated by Japan.

Compared with the political problems looming ahead of these three Powers, (whose frontiers actually march together for hundreds of miles) Chinese disputes with distant European or American nations on questions of jurisdiction and concessions are mere passing incidents. The numbers of Chinese who have actually to meet and deal with Japanese and Russians are far greater than the numbers dealing with

other foreigners, and increases every year. We are sojourners, but Russia and Japan are powerful neighbours and, in the border provinces, possible conquerors.

i. Resources and Population.

Geographically the word 'cockpit' does happen to describe Manchuria quite well. The land is a grassy plain surrounded by highlands except on the south. It is not unlike Hungary, with its fringing areas of forested hills and its rather dry steppe, but the climate of Manchuria is somewhat more extreme. Manchuria is about twice the size of the United Kingdom, and it has about half the population of that country—say some 25,000,000 souls. This population is overwhelmingly Chinese.

The resources of the country are magnificent and not much developed. Of minerals, only coal has yet been worked to any great extent, and that mainly for the use of the railways. It is excellent coal and the seams are exceptionally thick. One of them indeed is too thick to be worked profitably by present methods of hewing and timbering. One colliery produces 6,000,000 tons of coal a year by itself. In the mountains which surround the grasslands gold has been found, but the mineral resources of the country are really hardly known, far less exploited.

This also applies to Manchurian timber, of which there are estimated to be 136,000,000,000 cubic feet, only one 34,000th of that amount being exploited as yet.

(It is estimated that half the arable land is now being cultivated, the more fertile and less occupied regions being in the North, in the regions through which the Chinese Eastern Railway runs, and between that railway and the Amur.) Thus it is clear that even with the present primitive agricultural

methods this country can support a population equal to that of the British Isles.)

That larger population will be forthcoming as a result of immigration and natural increase, and it will be Chinese. Seventeen years ago the population was only fifteen millions, but Chinese are coming into the country in recent years, especially from Shantung and Chihli, at the rate of about a million a year. Here is one of the greatest migrations of the world, comparable to the pouring of Europe's surplus manhood into the United States in the high tide of emigration before restriction became the rule. As in Malaya, so here in Manchuria, recent years have seen an increase in the proportion of women and children entering the country, so that a true settlement is taking place, an immigration as distinct from mere migration. True there is still an ebb and flow of male labourers coming for the spring and summer seasons only, but the numbers who stay grow every year.

This rush of a flood of Chinese through the narrow gates of the south, opening on to the Yellow Sea, is the main event of the present century in Manchuria. Beside it the total net inflow of some 150,000 Japanese, and these not agriculturists, is a mere trickle. Even counting Koreans, the numbers are not great, and Japanese plans for settling Manchuria have definitely failed. Nor have the Russians been more successful, for there are only some 60,000 to 70,000 of them in Manchuria.

Like a deep bass refrain, in the varied discords of historical events during the years since the Revolution, is the roar of this human Niagara pouring into empty Chinese lands dominated by alien powers. It has been China's reply to the campaign of notes and agreements, wars and concessions, carried on by the Powers. And it is going to give China the

last word, for in the last resort those who dig the earth inherit it, let conquerors come and go as they will.

But in the meantime the Japanese have found in Manchuria an ideal market for the kind of goods in which they specialize. When a nation has cultivated every foot of its ground; when even the patches of fertile soil covered by the growing suburbs are grudged because of the loss of rice involved; when three-quarters of a million are added to the population every year, then foreign markets become of really tragic importance. Emigration does not solve the problem even if it were allowed in lands where Japanese can thrive. In Manchuria they cannot compete with the Chinese, who can outbreed, out-work, out-wait, out-starve, and out-wit any race in the world. In such a case Japan must export goods and import food instead of emigrating her surplus population.)

That is why Japan, in spite of every desire to conciliate China, holds so obstinately to her 'special position' in Manchuria. Her South Manchurian Railway carries the Chinese immigrants and the soya bean and wheat which they produce. Her ships frequent Dalny and her banks finance the gigantic movement of goods through that and other ports. Moreover, the masses of poor Chinese are just able to buy the kind of cheap coarse cottons and cheap hardware that Japan can best make. We in England know what it means to lose foreign markets when we have developed a population which can only be supported by continued exports. And in this respect Japan is worse off than we, with our population approaching a stationary condition. Japan is obliged to industrialize herself further, and further increase her dependence upon foreign markets, though her statesmen are completely aware of the dangers of that process. The alternative is a restriction of population not practicable at the moment.

This is the reason why her policy has been, since 1912, to keep Manchuria out of the devastating raids and mercenary personal wars which have laid waste the rest of China from time to time. Since 1912 Chang Tso-lin has governed Manchuria outside the railway zones, with no interference from Japan except when it was necessary to keep the scuffling, brawling Tuchuns out of this great market-place. Japan even refrained from preventing Chang from wasting his resources in his campaigns through the North Gate of China into the Metropolitan Provinces, though she more than once tried to dissuade him.

One more economic fact may be noted, namely, the rivalry of Vladivostok and Dalny for the export trade of Manchuria. The hinterlands of the two ports overlap. Vladivostok draws goods by the Chinese Eastern Railway from North Manchuria, and Dalny draws from the same area, into which a fan-shaped system of Chinese and Japanese lines is being thrust. The odds would be rather in favour of Dalny, even with equal efficiency at each port, but, as things are, Russian incompetence has caused the trade to go more and more by the southern route. This has aroused feeling and caused economic and social suffering in the Soviet port.

ii. *The Political and Military Importance of the
Railways.*

It is now necessary to consider the part played by the railways of Manchuria in this economic struggle and in the strategic situation; and this can best be done by a brief history of railway construction and the political struggles which accompanied that construction. First let us consider what facilities the three nations possess for putting their forces on the borders of Manchuria, and then the railways in

Manchuria itself. The Japanese have a leased territory in the Liao Peninsula which includes the fortress of Port Arthur and the great seaport of Dalny, and at this point they can put unlimited troops into action. They have also the Korean frontier, and from Antung they can strike into the heart of Manchuria. Moreover, to secure that stroke, the railways to Mukden and as far as Chang-chun are in their hands. A narrow zone of land on either side of the track is in Japanese jurisdiction, and railway guards along the line are in effect an army of occupation for this zone, small but capable of immediate reinforcement from Port Arthur, Korea, and Japan. Japan not only has a good position on the edge of the cockpit, but she has her bird already on the floor.

China has to approach Manchuria by sea through Newchwang or by land along a narrow coastal plain between the sea and the mountains. At Shanhaikuan is the Chinese Thermopylae, and the railway here is pinched between the mountains and the sea. As long as Japan controls the sea she can cut this line of access whenever she wishes. A remarkable illustration of this power occurred recently. Chang Tso-lin was engaged in the last of his fruitless and expensive expeditions into China, and being attacked by the Kuomintang party under Chiang Kai-shek, he contemplated a desperate stand at Peking. He was advised by the Japanese to withdraw with his Manchurian troops while there was yet time, and secure the peace of his own Province. If he delayed, they warned him, neither he nor his pursuers would be allowed to pass into Manchuria by Shanhaikuan. Thereupon he gave way, and commenced a retreat in the course of which he met his death, though his army was preserved intact. There is another possible line of advance behind the mountains from

Jehol, but it is not yet served with railways. China would therefore be confined to the Manchurian forces already in the field, and these, deprived of the railways, could not hope to maintain themselves for long against Japan, nor against Russia without Japan's benevolent neutrality.

The Russians have territory encircling the whole of the north of Manchuria, viz. Chita, Primorsk, the Maritime Province. The Trans-Siberian Railway runs right along the frontier, throwing branches to small Russian towns on the Amur, and descending the Ussuri valley to Vladivostok. This is a double-track line, but it is obviously nothing like as favourable a means of launching an attack as the trident of the South Manchurian Railway, with its western prong through Tsitsihar and beyond, and new eastern lines building towards the North Korean frontier. Add to this the fact that Russia would have to bring her troops some 4,000 miles across Siberia, and it is evident that Japan, from a strategic point of view, holds all the trumps.

Some of my hearers may have wondered why I have said that the Trans-Siberian Railway passes in the great arc of the Amur, when we all know that one travels 'via Siberia' through Harbin. But this railway, shaped like a T with Manchouli, Suifen-ho, and Chang-chun at the ends of the limbs, and Harbin at their intersection, is *not* part of the Trans-Siberian Railway. It is the Chinese Eastern Railway, a line constructed with French and Chinese and some British capital between 1896 and 1902, under Russian auspices. It shortens the journey to Vladivostok by some five hundred miles. It is a 'cut off' through Chinese territory, and the control of this railway is now (July 1929) in dispute between Soviet Russia and China. Hence the recent alarms of war.

iii. *Russian Penetration.*

We may now descend into the cockpit itself and consider that struggle for political and economic advantages which has created the present situation. Fifty years ago Manchuria was practically empty. It resembled the great plains of the United States before the railways came. Along the river-banks of the lowland were scattered settlements of Chinese. A few wandering tribes and some trappers, together with agricultural settlers in the south, made a bare living. Chinese were from time to time forbidden by the Manchu Dynasty to emigrate thither, but latterly the prohibition had not been effective and was withdrawn. Then came the Sino-Japanese war and the complete defeat of China in 1895. Japan thus secured the end of Chinese control in Korea, which became her sphere of influence. At the same time she demanded, and would have secured, a lease of a portion of the Liao Tung Peninsula, including Port Arthur. Thence she could have permanently held off Chinese armies from the Korean frontier, while extending her influence into South Manchuria. In this design she was checked by Russia, France, and Germany, who interposed to 'advise' her not to press that demand: Russia received from China her payment for this interference in the form of a concession to a new Russo-Chinese Bank (formed for that purpose, and afterwards called the Russo-Asiatic Bank), of the right to construct a railway across North Manchuria to join the Ussuri Railway. This line was the Chinese Eastern Railway, and the agreement was signed in 1896.

Li Hung Chang soon had reason to regret his precipitate flight into the arms of Russia, for in 1898 he was obliged to yield to a Russian request for permission to lease Port Arthur for twenty-five years, and to construct a branch to that port

and Dairen (Dalny) from the Chinese Eastern Railway at Harbin. From that moment Japan realized that Russia had thrust in between herself and China, and that she had to reckon with Russia on the Korean frontier and over it. That day of reckoning came in the Russo-Japanese war.

From 1896 to the war which ended in 1905 Russia was dominant in Manchuria. The agreement of 1896 had provided that the Chinese Eastern Railway Company should have statutes on the Russian model, while operating in Chinese territory as a Chinese corporation under Charter from the Emperor of China. Now the powers and duties of the Russian railways in Siberia, which were thus used as a model, were extremely wide. The Siberian railways were great colonizing agencies, comparable with the Chartered Companies which Britain and Holland had used to develop their colonial empires. If we think of the Chinese Eastern Railway as an organization similar to the old Hudson Bay Company, but based on a long strip of territory through which the railway runs, we shall have a fair idea of its character. It had its own currency, based on the Russian rouble, its own schools and churches, its own municipalities, and its own police and railway guards, amounting in practice to a small army of defence: an army, moreover, capable of indefinite expansion from the frontier. Thus the Chinese Eastern Railway was used as a tentacle which could be extruded into the rich, empty Manchurian lands under Chinese sovereignty. In short, a State within a State, armed, organized, and aggressive.

The next step in Russian aggression was made easy by the Chinese folly of the Boxer rising. Japan and Russia were the only Powers able to put sufficient troops into action and to support them from near and adequate bases. They did put considerable forces in the field, and Russia in particular

crowded the Manchurian lines with troops and set about the occupation of that country. It became obvious, after the settlement of the Boxer affair, that she did not intend to withdraw from Manchuria, and her failure to carry out her solemn promises to do so led to the rupture with Japan.

iv. *Japanese Penetration.*

As a result of the war Japan replaced Russia as the lessee of Port Arthur, and of the Chinese Eastern Railway up to Chang-chun, a little south of the Sungari river. The military line from Antung, on the Korean border, to Mukden, was reconstructed, and thus the capital of Manchuria was connected with the Japanese railway system in Korea. At the same time a connexion was made with the North China railway system.

There followed a period of ten years or so in which two 'Railway States'—the diminished Chinese Eastern Railway and the South Manchurian Railway—confronted each other on Chinese territory. Until 1917 the Chinese Eastern Railway was the finger of the Czar in the Manchurian pie, and the South Manchurian Railway the finger of the Emperor of Japan. But the Chinese Eastern Railway fell behind in this competition. It had only the trans-continental traffic and a small export trade to Vladivostok, for which Dalny was a dangerous competitor. The South Manchurian Railway had the immigrant traffic and an ever-increasing export trade in soya beans through Dalny and Dairen. Branches were built, and in 1909 British interests were definitely excluded from a project to build a railway for China within the 'Japanese sphere'. Japan addressed herself to securing from Russia and France support for her claims to a practical monopoly of railway construction in South Manchuria. Also in 1909

Mr. Knox, the U.S. Secretary of State, seeing the danger of conflict in Manchuria, proposed to the British Government that a loan should be advanced to China for the immediate repurchase of all the railways in Manchuria, and that, pending its repayment, they should be put under international control. Britain temporized, being bound by an agreement not to intrude in the Russian sphere; Japan and Russia were opposed to the scheme, made a convention for mutual support, and warned China 'not to discuss projects of this nature in future without first approaching them'. The scheme therefore fell through.

Just before the European war of 1914 broke out Japan concluded an agreement with China for the construction of certain branch railways which are of great importance. One set has been constructed, the other is not complete. It will be convenient to deal with them here. The financial and diplomatic arrangements are intricate, but the general effect clear enough. From the main South Manchurian line, at a place called Ssupingkai, a branch strikes off to Taonanfu in a north-westerly direction. Thence another line under Chinese ownership proceeds to the north and intersects the Chinese Eastern Railway at Tsitsihar. Thence again a line is projected, but not yet built, of the same 4 ft. 8½ in. gauge to the Amur opposite Blagovyeshchensk. This Sino-Japanese system is of the same gauge as the South Manchurian Railway—4 ft. 8½ in. as compared with the 5 ft. gauge of the Chinese Eastern Railway. Its effect is to enable the Chinese or Japanese to cut the Chinese Eastern Railway between Harbin, its administrative centre, and Manchouli on the Chita frontier. Its economic aim is to tap the export trade of Northern Manchuria in the interests of the South Manchurian system as extended by these Chinese lines. The second project is not yet completed. It provides for the extension of the Kirin

branch towards the Korean frontier. From the port of Seishin in the Japan Sea the Japanese have built a railway up to Kwanei, near the Korean frontier, and a Chinese line in which Japan is said to be interested is projected to fill the gap between Kwanei and Tunhwahsien, the terminus of the Kirin branch of the South Manchurian Railway. The same line will turn north and cross the Chinese Eastern Railway between Harbin and the other frontier. This brings us to modern projects, which we must leave for the time and return to the period of Japanese aggression, first noting the effect of these two railways is to nip the Russian administrative centre of Harbin between the two fangs of a pincers.

v. *The action of Japan during the Great War.*

On the outbreak of the European war the militarist party in Japan being in the ascendant began that policy of putting extreme pressure upon China which was one of the greatest diplomatic errors ever committed. The object of this pressure was to secure for Japan a favoured and predominant position in China, and particularly in Manchuria and Shantung. If the original Twenty-one Demands then presented had been conceded, China would have become practically a protectorate of Japan. It was an exercise in the old style of Imperialism just when that political fashion was changing elsewhere. The demands were in five groups, the fifth group representing wishes and not categorical demands, and so not communicated to the other Powers but only to China. We are concerned here with the general effect of the Demands, and with the second group, which applied to Manchuria, in particular.

As to the general effect, it was to turn all the younger and progressive elements in China into violent haters of Japan. Since then the hatred of Japan has been disseminated among

the children in the schools, through the propaganda organization of the party clubs and in every possible way. China had long relied upon the policy of playing off one foreign people against another, but now all except the United States were engaged in a life-or-death struggle, and Japan had a free hand. The hand she showed was mailed, and China had to give way, under protest. The United States also registered its protest and refusal to recognize the arrangements. Much of the subsequent diplomacy of Japan has been devoted to a vain attempt to restore the confidence which she then lost. It is only fair to say that Japan was merely applying the rules of Real-Politik as she had deduced them from the earlier behaviour of the European Powers who were her models, and there is reason to believe that the political balance in Japan has since then moved permanently to the side of the liberal and anti-militarist element.

The negotiations on the second group of Demands gave the following results in favour of Japan.

- (1) An extension of the leases of Port Arthur, Dairen, and of the South Manchuria and the Antung-Mukden Railways to ninety-nine years. (That of Port Arthur was due to expire in 1923.)
- (2) A right of Japanese subjects (*a*) to lease land in South Manchuria (on a long lease with unconditional renewal) and to erect on it buildings for purposes of trade, manufacture, or agriculture; (*b*) to reside and travel in South Manchuria and to engage in business and manufacture of any kind; and (*c*) to undertake agricultural enterprises connected with them in co-operation with the Chinese.
- (3) The promise of the Chinese Government that (*a*) certain places in Eastern Inner Mongolia should be opened to foreign trade and (*b*) that a fundamental revision of the

Chang-chun Kirin Railway loan agreement would speedily be undertaken.

As this involved the opening of a part of China to residence by certain foreigners—the Japanese only, of course—the question of what jurisdiction they should obey became of importance. It was agreed that when the judicial system of that part of China was completely reformed all cases should be tried entirely by Chinese law courts. In the meantime certain extra-territorial rights, not including exemption from Chinese police laws and taxation regulations, were specifically reserved for the Japanese.

From our present point of view the most important of these clauses was the renewal of the leases of the railways, Port Arthur, and Dairen. The other Powers could hardly object to Japan seeking for herself rights of residence and trade in China for which the Powers had long been asking. Nor were the provisions for extra-territoriality unreasonable in view of the then state of Chinese law and law courts. ¹But the renewal of the leases postponed still further the dissolution of that Japanese 'Railway State' in Manchuria and made it clear to China that nothing short of force would drive her out. ²The mood of China was mingled humiliation and impotent fury.

Chinese national feeling was strongly aroused, and even the Washington treaties and the very considerable amends made by Japan in the matter of Shantung, together with the abandonment of the fifth group (the 'wishes') have not removed this bitterness. The Chinese began to attempt to build railways and develop Manchuria for themselves, often without Japanese assistance, though in many cases they were obliged to rely upon Japanese financial and technical help. In China proper the desire for unification became more effective under the spur of fear, hatred, and shame.

vi. *The Russian Revolution and the Chinese Eastern Railway Agreements.*

When revolution broke out in Russia the Chinese Eastern Railway, together with the Russo-Asiatic Bank, broke away from the Bolshevized Government. Under a certain General Horvath, the head of the Chinese Eastern Railway, this curious body politic was soon integrated into an all-Siberian confederation led by Admiral Kolchak. When the Allies decided upon their half-hearted support of that unhappy man it was agreed that the Chinese should undertake the guarding of the railway in Manchuria. They soon fell foul of the Japanese, who were pouring troops into Vladivostok and along the Chinese Eastern Railway, thus beginning an attempt to intervene in Siberia much as they had done in Manchuria. An inter-allied technical commission, headed by an American, concerned itself with the problem of the actual running of the line, and an American loan of \$5,000,000 gold was advanced for this purpose.

When the Kolchak venture failed and all Siberia was in Bolshevik hands, the question arose what should be done with the Chinese Eastern Railway, now once more deprived of its parent. Obviously it could not continue to be an extension of a White Russian State which no longer existed. It was equally obvious that it could not continue to live as a separate political entity, though General Horvath declared his independence and made the attempt.

The Chinese Government seized the opportunity which was thus offered them, and concluded a provisional agreement with the Russo-Asiatic Bank and shareholders in the Chinese Eastern Railway. China had every right to do so since she was herself an original creditor to the extent of T5,000,000.

The essential feature of that provisional agreement was that the railway ceased to have any political character, and became a purely commercial concern to be conducted by a new Board of Directors, five 'White' Russians and five Chinese, presided over by a nominee of the Chinese Government. The misfortunes of White Russia had for all practical purposes placed the railway in Chinese hands, and instead of having to deal with a powerful foreign Government directly interested, she had only some friendless White Russians, some French shareholders, and British and American debenture holders and creditors. Russia, having been first driven out of South Manchuria by war, had now dropped out of North Manchuria by revolution. The Soviet Government protested that it was the successor to the rights of the Czar's Government, but no particular attention was paid to its remarks in 1922.

Unfortunately for China, she is not able to follow the plan of pretending that the Soviet Government does not exist—a plan feasible and even wise for insular America. The Soviets obviously exist along thousands of miles of Chinese frontier, and have shown themselves the heirs of Czarist Imperialism. Moreover, the Kuomintang, led by Sun Yat Sen, had by this time turned towards Russia, and Canton had received Red Russian advisers who conducted an envenomed propaganda against England. The first strike of 1922, beginning as an economic movement, soon became a political one, and in the following years feeling against Britain increased, and the shooting incidents in Canton and Shanghai led to such feeling that the British force had to be dispatched to Shanghai. Not until some two years ago did that feeling begin to subside.

In that period of Russian influence two agreements were reached as regards the Chinese Eastern Railway. Both were signed in 1924, one by the Government at Peking and the

other by the independent Government of Manchuria under Chang Tso-lin. On the whole the latter secured better terms than the Central Government.

The articles to which special attention should be paid are:

- (1) which keeps the Railway a purely commercial enterprise and repudiates any claim to extra-territoriality;
- (2) which allows China to redeem the railway at any time, but with *Chinese* capital;
- (4) which transfers the liability for the entire claims of the shareholders and creditors of the Chinese Eastern Railway, incurred prior to the Revolution of 9 March 1917, to the U.S.S.R.,
- (6) which provides for an agreement for the provisional management of the C.E.R. pending the settlement of the amount and conditions of redemption.

The agreement for the management provided for a new Board of Directors and a new general manager, in fact for the substitution of Soviet for White Russians. An illustration of what might be expected to happen to a White Russian under Chinese law, with no extra-territorial rights, was promptly given. Chang Tso-lin, to please the Soviet Russians, arrested the former general manager, Mr. Boris Ostroumov, on 24 October 1924, without a warrant, imprisoned him for eleven months, during six of which he did not know the charges against him, and finally released him under the terms of an amnesty issued eight and a half months earlier, but not applied because an executive had forbidden the judiciary to do so in this case.

The Chinese Government in Manchuria had now exchanged a powerful neighbouring Government, with unorthodox ideas and methods of propaganda, for a comparatively helpless body of shareholders and officials without a coun-

try. Their new bedfellow soon began to give trouble, and the climax came when Chang Tso-lin was treacherously attacked by one of his own generals in January 1926. This was the moment chosen by the Communist general manager, M. Ivanoff, to refuse to transport troops over the C.E.R. to the aid of Chang Tso-lin, unless their fares were paid in advance. It is almost unknown for war lords in China to pay for the transport of their armies at all, let alone in advance. Chang Tso-lin interpreted this access of financial correctness as an attempt to stab him in the back. The revolt was quelled, and the old War Lord turned to deal with M. Ivanoff, whom he threw into prison with three Soviet directors of the railway.

A Soviet ultimatum was launched against Mukden and Peking simultaneously on 23 January 1926, and Chang gave way. But repeated troubles arose. In February of the same year the Russian Municipal Council at Harbin was dissolved and the administration taken over by Chinese. By April things had been made impossible for M. Ivanoff, who had to resign, and the Soviet Minister, M. Karakhan, being so obviously not *persona grata*, was recalled in response to repeated demands from China. In September 1926 the schools maintained by the C.E.R. were closed on the ground that they were being used for Communist propaganda, and the river flotilla was seized, professedly as a reprisal for a seizure in Vladivostok of Chinese barges.

The propaganda of the various Russian Consulates in China had become by this time a danger to any kind of government. Peasant revolts, accompanied by dreadful atrocities, had alarmed the gentry, and workers began to make impossible demands in all the towns, and attempted to enforce them by general strikes. Enterprise came to a standstill in some centres. In 1927 the Russian Consulates were raided throughout

China and on 14 December 1927 were closed down. Chinese mentality is bourgeois, but when it comes to intrigue and propaganda, no proletarian can equal them. They knew all the Russian activities fully.

The triumph of the Kuomintang and the unification of China by the rapid adhesion of Chang Tso-lin's son, Chang Hsueh liang, was expected to improve the Soviet situation by those who fancied that Chiang Kai-shek was a creature of the Russians, but such was not the case. Just as the Russians had attempted between 1924 and 1926 to elbow their Chinese partners out of the control of the railways, had used the resources of the railway for propaganda against the Governments with which they had signed agreements, so now the Chinese devoted themselves with enthusiasm to making things impossible for the Soviet Russians, and elbowing them out of Manchuria. In May of this year (1929) the Manchurian police raided the Soviet Consulates at Harbin, Tsitsihar, Manchouli, and Suifenhö on the C.E.R. They are said to have found ample evidence of Communist propaganda. The U.S.S.R. protested and withdrew the extra-territorial privileges of the Chinese Consulates in Russia. The Chinese Government in Manchuria arrested the Soviet Consul-General at Mukden, the Soviet Vice-Consul at Harbin, and a director of the C.E.R., on 2 June, on the Border. China defended her conduct by reference to Article VI of the Sino-Soviet Treaty of 1924, by which the parties agreed to refrain from propaganda directed against the political and social systems of either contracting party.

On 10 July the Chinese Tüpan or President of the C.E.R. removed the Soviet Russian who was manager of the line, together with his assistant and the service chiefs, and replaced them by Chinese.

On 14 July the U.S.S.R. addressed an ultimatum to China demanding the restoration of the *status quo ante*, and expressing its willingness to enter into negotiations regarding all questions connected with the C.E.R. when that was done. The note ended with a 'warning that in the event of the non-receipt of a satisfactory answer [the U.S.S.R.] will be compelled to resort to other means for the protection of the lawful rights of the Soviet Republic'.

The Chinese note of 16-17 July justified the action of the Manchurian authorities and stated that the newly appointed Chargé d'Affaires was leaving Nankin shortly and proceeding to Moscow as plenipotentiary to discuss all pending matters. Demands for the release of Chinese imprisoned in Russia followed. The Soviet reply was to sever diplomatic relations and the dispute is still proceeding (July 1929)—though happily with no immediate danger of war, as both sides have declared their intention to observe the Kellogg Pact. But at the moment Russia is out of Manchuria and the C.E.R. is Chinese in fact as well as name.

vii. *Chinese Loans for Railway Development.*

One section of this lecture remains to be completed before we attempt to summarize the situation, namely, the position of the other Powers in this area. The Chinese have become keenly aware of the value and importance of railways and roads, and are anxious to build them in Manchuria. They have projects which would parallel—at a reasonable distance—the main North and South and East and West lines. In spite of the bitter experience which investors have had of the failure of Chinese railways to meet their obligations, there is no doubt that money would be forthcoming on some sort of terms for some of this work. This problem of loans in China

is fraught with possibilities of international complications, and the greatest caution and control are essential in making loans. The Government of China is insolvent at the moment and has been so for some years. Its recent borrowings have been like the desperate plunges of a man who goes to the moneylenders and pays enormous rates for ready cash while defaulting on his more reasonable obligations. This had already become clear in 1920, when the militarist clique which had brought China into the Great War had been borrowing from Japan with insane recklessness and simply pocketing the public funds. This was the period of the famous Nisihara Loans. The Powers were trying to check civil war in China by an embargo on arms, and it was felt by the Government of the United States that some control over loans was just as important.

The Government of the United States proposed, therefore, 'that a combination of representative groups of American, British, French, and Japanese banks should be formed to share equally in all Chinese Government guaranteed loans—industrial as well as administrative and financial—involving a public issue, that the groups should pool all their existing and future options, except such concessions as were already in operation, and that each national group should receive the support of its Government'. A serious difficulty arose here, because Japan was strongly opposed to the inclusion of rights or options held by her in Manchuria or Mongolia. Japan was informed that the idea of the agreement was 'to abolish spheres of interest and throw open the whole of China to the activities of an international financial combination', the New Consortium. It was only when the British Government 'gave a written assurance that the Consortium would not engage in anything calculated to affect the security of Japan's

economic life and national defence, and that she could firmly rely on the good faith of the Powers concerned to refuse to countenance any operations inimical to such interests', and the United States gave a similar assurance, that Japan withdrew her claim to special spheres of influence in Manchuria and Eastern Inner Mongolia, and she contributed to the 'pool' a concession for a railway parallel to the S.M.R. from Taonanfu to Jehol and thence to the sea. The S.M.R. and certain branches were definitely excluded. This was in 1920, and the policy of Spheres of Influence was formally abandoned by all parties at Washington in the following year. As far as Powers other than China are concerned the policy of the open door to trade and of pooling future financial business has been established. In return, Great Britain and the United States seem to have given a guarantee to Japan of her economic and strategic interests in Manchuria and Eastern Inner Mongolia. It may become a troublesome undertaking some day.

viii. *The Present Position and the Problem of the Future.*

It is difficult to state any clear issue or definite Problem of Peace in such a confused and rapidly developing situation. Prophecy is dangerous above all, and any one who indulges in it is likely to be made to look foolish long before his mouth is 'stopped with dust'. But it certainly seems as if, in the long triangular contest between China, Japan, and Russia, Russia has been eliminated in Manchuria as a *State within the State*. The negotiations about the Chinese Eastern Railway are likely to leave that railway effectively in Chinese hands. Russia remains in Mongolia, where the task of ousting her will be more formidable, if indeed it is possible at all.

{ This leaves Japan and China inextricably mixed, but not

friendly, in Manchuria. Outside the South Manchurian railway system and its existing branches there is a great deal of railway construction projected and being undertaken. The Chinese merchants in Manchuria, even the common peasants, are now 'railway-minded', and for that matter 'road-minded' too. Though the present credit of China is such that she cannot give satisfactory security to the bankers associated in the 'Consortium Agreement', she can build slowly for herself out of small savings of capital. It is not likely that she will continue to borrow from Japan at the cost of extending Japanese power, while also extending the connexion and depth of Japan's commitments in Manchuria. If China's credit is re-established she can easily obtain loans for all the railway construction which Manchuria needs, and, always assuming that her credit is restored, she need not fear political 'strings' to the loans, thanks to the policy of the 'Consortium'. There is no doubt about the sufficiency of China's resources, but there is very considerable doubt about her ability to set up the necessary financial checks without foreign control. As the latter is obviously destined to disappear, we need not anticipate any great improvement in Chinese credit in the immediate future.

Nevertheless, sooner or later, by her own efforts or aided by foreign capital, the Chinese will overgrow the unoccupied spaces of Manchuria. The revenues of the South Manchurian Railway will not fall off. On the contrary, this further development of the country must affect them favourably, but the economic dependence of Japan on the Manchurian market seems certain to grow more and more close, while her power in Manchuria relatively to that of China must decrease.

The best hope for peace is in a continual effort to improve Sino-Japanese relations. But since 1915 and the Twenty-one

Demands these relations have been poisoned, and the really remarkable patience of Japan under very considerable provocation has not had the effect of commending her to the Chinese. Many of the latter take the excessively simple view 'Japan has stolen Port Arthur and Dairen, let her return them'. It is certainly true that the extension of the lease of those places was granted under compulsion. On the other hand, the prosperity of the Chinese in Dairen and along the South Manchurian Railway, in contrast with the wretched conditions on the railways elsewhere in China, is undoubtedly due to the organizing ability of the Japanese and their power to keep the peace in the Province. The latter has certainly depended upon their tenure of Port Arthur.

Moreover, the Japanese people have as strong an obsession about Port Arthur as the Chinese. To them it is what Gibraltar is, or was, for Britain—a symbol of heroic valour and an absolutely necessary safeguard of their political greatness.

Obviously the situation is one which is developing. If Russia is permanently excluded, the problem is by that much the simpler. If Japan could convince China in some way that the new ninety-nine year lease of Port Arthur and Dalny is indeed the last, and begin to prepare her own people for the shock of parting, that would be something, though not much in China's present impatient mood. Whatever may happen, Japan is in an unenviable position, and has a right to British sympathy. Indeed she has a right to the goodwill and support of the whole world in her present attempts to win over the Chinese, and any attempt to exacerbate relations between China and Japan is a crime against the peace of the world.

✓ Korea is Japan's Ireland and Manchuria her Egypt. We have been able to get out of our Ireland and look like getting

out of Egypt: after all, we have other interests. But Japan, who has almost all her eggs in these two baskets, Manchuria and Korea, may be pardoned for hesitating to follow us in our tardy repentance as enthusiastically as she did in our unregenerate Imperialistic days. Nevertheless it would seem the most promising line of attack. If Japan means never to withdraw her political agencies from Manchuria, as the Chinese believe and as many Japanese admit, then there is no hope of peace. A solemn Japanese undertaking that the leases will not be renewed, and a guarantee of some kind by the other Powers, might produce that change of attitude in the Chinese which would make economic co-operation easy and natural.

CHAPTER VII

THE FREEDOM OF THE SEAS

Mr. ALEC WILSON:

A STUDY of the problem known as the 'Freedom of the Seas' would have been interesting at any time during the last four or five hundred years: to-day, it is much more than interesting. It lies at the heart of the major problem of world politics—which is just now the development of full, free, and frank co-operation between the United States of America and the League of Nations for the maintenance of peace by common sense. The study of most great problems is rather like pulling an onion to pieces: you find layer after layer of issues, important enough in themselves, but secondary to the issue at the core. So it is in this problem. Just as the Franco-German working arrangements initialled at Locarno paved the way to German membership of the League, so an Anglo-American settlement of their naval disagreements must precede the completer kinds of joint international action to which we look forward with hope and confidence. And the core of the Anglo-American disagreement is our topic to-day: the 'Freedom of the Seas'.

i. *An Insoluble Problem (?)*

There are plenty of people on both sides of the Atlantic who believe that problem to be insoluble. Since I approach it from the British side, suppose I quote, as starting-point of the discussion, an American sceptic. Last February, Mr. Frank H. Simonds wrote in the *Saturday Review of Literature*:

'What very few Americans see is that the effect of our policy must be to expose the British to very grave dangers, to destroy the old form of British security. But, on the other hand, what few

Britons perceive is that the purpose of American public opinion is to possess the power to do this, without regard to the consequences.

‘And, unmistakably, these two policies are irreconcilable. . . . Either Britain is, to a very considerable extent, at our mercy, or we are at hers. And, while the British shrink from the former situation, we are resolved to end the latter. . . .

‘How on earth can you compromise such a quarrel, which is, in fact, the consequence of the collision of the deepest political instinct in each country?’

This is what has been called the ‘war between Fred and Great.’ I have quoted only one passage from an extremely interesting essay. One of the most interesting things in it is (*more Hibernico*) what is left out of it. Mr. Simonds does not so much as mention the method of approach to the problem which I am to set before you to-day.

Yet the modern form of the centuries-old controversy was first raised by President Wilson in the Second of his Fourteen Points:

‘Absolute Freedom of Navigation upon the Seas, outside territorial waters, alike in Peace and in War, except as the Seas may be closed, in whole or in part, by international action for the enforcement of international covenants.’

When Woodrow Wilson drafted that Point (8 Jan. 1918) he abandoned the old American doctrine of *Neutrality at all costs* as completely as he challenged the yet older British claim to close the seas to our enemies by our own sole fiat. Our refusal even to discuss the matter, and, later, the American rejection of the League, shelved the issue at the outset: but it did not stay on the shelf. It has got in the way more than once, and now frames the discussion of to-day.

If, therefore, we would understand the events now occur-

ring, or appreciate the possibilities of the near future, we *must* understand the question we call the 'Freedom of the Seas'—not necessarily all its innumerable details, but certainly its essential principles.

ii. *The Problem Stated.*

The essential principles, however complex the details, are elementally simple. Once upon a time, war, whether at sea or on land, was a straight fight between two parties. With the opening up of the world, and the growing accessibility of foreign lands, more and more Nations found themselves uninterested in the quarrels that broke out between some pair of them, and wished to remain NEUTRAL, taking neither side in the fight, and selling their goods to both alike. Now the effect of this was immensely to complicate the hitherto simple rules of war by sea: since, for obvious reasons of geography, the new status of Neutrality affected war by land very little. By sea, things were different. It was as if rules had to be provided for a football match in which a third team insisted upon playing on the field at the same time as the original two, but without taking sides. During four or five hundred years, such rules actually were worked out (Rules of Neutrality and Rules of Contraband): illogical compromises, for the most part, between irreconcilable interests: yet, somehow, they worked, in a sort of way, in the small, old-fashioned, pre-scientific world to suit which they had been devised.

'Irreconcilable interests.' I have just used the phrase. What are the interests that cannot be reconciled? The issue goes deeper than what we usually call interests. If we cut down to and expose the roots of our problem, we shall find a deep-seated antagonism. Sea power and land power are, as

such, fundamentally opposed to each other. For, plainly, in war, the interest of each side is *to win*. Yet a sea State cannot exert its pressure upon a land State—a navy cannot attack an army—unless it holds the command of the sea: while, on the other hand, up to now, if the sea State has held command of the sea, it has been almost sure to win. He who controls the sea can usually outlast his opponent: not only can he capture the enemy's ships, he can prevent the enemy from obtaining necessary supplies, even from Neutrals—while all the world is wide open to himself from which to draw what he requires. That is why Admiral Mahan was able to point out fifty years ago that:

‘In the last analysis, every great war is won by the Power that controls the Sea.’

In war, the scales have always been heavily loaded in favour of a sufficiently powerful naval State. *And the power is the power to stop supplies*. As Admiral Lord Wester Wemyss put it in the House of Lords (10 Nov. 1927):

‘The power of the Navy lies not in guns and torpedoes, but in the immemorial right of all belligerents to *suppress entirely* all those sea-borne supplies of his enemy on which that enemy's continued resistance must chiefly depend.’

iii. *The Land and the Neutral: versus the Sea.*

It has, therefore, been a main interest of *land States* to take any and every opportunity, whether during war or in peace, of trying to *cut down the over-balance* of advantage held by sea power. Just how? By limiting the rights of the sea Power to stop commerce in war. But it has also been a main interest of *Neutrals* to continue selling their goods to both sides, unmolested by either. If you set these two claims out in parallel columns, you find that both, though inspired by

quite different reasons, are the *same claim*: that the sea State should not be permitted to interfere with maritime commerce. Now let us proceed to set this double claim against that of the sea State, and you immediately discover that both land State and Neutral are inviting a sea Power to give away the principal means whereby its power is exercised. We have isolated the reason why our problem has so stubbornly resisted solution: under the old conditions, a British Government which should have admitted the Neutrals' claim would have sailed perilously near to High Treason. As well might you expect a land State to wage war without artillery, as ask a sea State to waive its right as belligerent to cut off the enemy's supplies. Yet the interests thus in irreconcilable conflict are not, either of them, wrong: the dispute is one between parties both of whom are unanswerably right.

One sees now the reason why the Law of the Sea in time of war has always been, must necessarily have been, a mass of illogical compromises: and why, also, during any particular war, the attitude of every State towards our problem was so often determined by its own status at the moment. Every belligerent has always tried to stop all the enemy commerce he possibly could: every Neutral has tried to keep all his traffic-routes wide open. Hence, whenever some State, neutral at the outbreak of a war, has subsequently joined in, on one side or the other, you have had an immediate and violent reversal of opinion. The classic case was, of course, that of America in May 1917; the swing-over was so sudden as to be actually comic: as Mr. Frank Polk put it to Lord Balfour:

'It took Great Britain nearly three years to reach a point where it was prepared to violate all the laws of blockade. You will find that it will only take us two months to become as great criminals as you are.'

iv. *The Effect of the Great War.*

So far, we have been dealing with the problem of the 'Freedom of the Seas' as it used to be, up to and including the Great War. What was the effect of the war upon the problem?

In a word, the war destroyed the basis of all the old rules of sea-warfare. Those illogical compromises were found to be obsolete, out of date, unable to stand the strain of modern war. The logic of inexorable fact drove the belligerents back to first principles: long before the war was over, the Allied and Associated Powers had utterly destroyed every form of the enemy's overseas trade, imports, exports, contraband and non-contraband, neutral, private, public—it all went, to his very credit by which he might finance his purchases. Towards the end, it was hardly necessary to use navies in order to effect the full economic pressure at the disposal of the Allies: 'blockade' became merely a matter of not shipping the goods: and the whole merchant marine of the world was owned or controlled by one side in the great struggle.

v. *The Old Rules are Obsolete.*

If we are to understand the problem of to-day, it is vital that we recognize not merely that the old rules are obsolete, but that if any rules are to be based upon the ideas that have been smashed by the war, they must of necessity fail to stand the strain if they should ever be tested.

Let us take a handful of samples in proof. Is there any distinction to-day between contraband and non-contraband? Manicure sets might seem to be 'of no use in war, but only luxuries': but lip-sticks can easily be converted back into

their original glycerine, and may thus become dangerous weapons—actual, as well as moral, explosives: and nail-files were used during the war for filling shrapnel-cases. Germany requisitioned for warlike purposes such items as name-plates, door-knobs, velvet, silk and plush textiles, curtain-rods, and coat-hangers. The American Quarter-Master Corps called for hair, school-books, corkscrews, spittoons, pencil-sharpeners, and rat-traps. Such lists could be extended indefinitely. After that experience, how can any one hope to define and classify contraband: ‘articles of supply which are useful in war only’. *Everything* is useful in war now: or, at least—and this is what matters—everything which the State permits to move by sea—there is not a ton of space available to be wasted on a ton of unnecessary goods.

Again, is there any distinction left between combatant and non-combatant? Every factory is making munitions: women are doing the men’s work: the very children are growing potatoes in the school gardens, increasing the available supplies of food: and any essential supplied to the civil population at once releases its equivalent for the men in uniform. Surely General Ludendorff was right when he said that ‘the Army and the Nation are one’: as undeniably right as was our own Foreign Office when it declared in February 1915 that:

‘The reason for drawing a distinction between foodstuffs intended for the civil population and those for the armed forces or enemy government disappears when the distinction between the civil population and the armed forces itself disappears.’

Take again the once clear distinction between public and private property. To-day, you have everywhere huge industrial establishments employing many thousands of hands: on the outbreak of war, the State assumes control of the mass-

produced output. Are the goods owned privately, or by the State—could any Prize Court give a clear answer, which should not only be legally correct but sensible as well?

The upshot of all this is very simple. The old rules were unworkable and have gone: there are no new ones as yet to take their place. No commissioned officer of any navy to-day has the least idea what code of rules he would be called upon to enforce if his country were involved in war to-morrow. No Admiralty knows what rules would be imposed upon it by its own Government. No Government knows how it would be able to use its naval power.

vi. *The Effect of the Covenant.*

So far, in the argument, we have been making the old familiar assumption that war was the *legitimate* way in which one Nation was entitled to 'impose its will upon another'. We have, up to now, ignored the Covenant. But the existence of the Covenant alters some of the fundamentals of our whole problem. The changes have cut deep:

'Any war or threat of war . . . is . . . a matter of concern to the whole League, and the League shall take any action that may be deemed wise and effectual to safeguard the peace of Nations.'
(Art XI.)

And Art. XVI lays it down that:

'Should any Member of the League resort to war in disregard of its covenants . . . it shall *ipso facto* be deemed to have committed an act of war against all other Members of the League, which hereby undertake immediately to subject it to the *immediate severance of all trade or financial relations*.'

How would a naval Power, such as our own, take its share in its obligation, this duty to itself and to its neighbours?

Precisely by helping to cut off *all* the overseas commerce of the covenant-breaker: by action exactly the same in principle as that which the Allies took in March 1915 when they decided:

‘To stop all goods which could be proved to be going into or coming from Germany’

—by action exactly like that which America took when she

‘became more inexorable than Great Britain had ever been in keeping foodstuffs out of the neutral countries that were contiguous to Germany.’

Sea power, in short, would be indispensable to the success of an international Economic Boycott: only, it would have to be *real* sea power—sea power as defined by the bluest of our blue-water school, not hampered at every turn by efforts to revive obsolete restrictions and absurdities about contraband and private property and neutral rights and so on.

Ever since the League started, minus the United States of America, the position of Great Britain in this matter has been peculiar and difficult. Supposing at any time between 1920 and 1928 a flagrant breach of Covenant had been committed calling for the imposition of the economic ‘sanction’ of Art. XVI (i)? Within a few hours, our Navy would have been stopping the overseas commerce of the peace-breaker—and more particularly *his commerce with the United States*, since the United States was not a party to the obligation. Within a few hours, therefore, our Government might have been faced with a really terrible dilemma: either we break our word to the League, and allow American goods to sail through our Navy to the aid and comfort of the covenant-breaker, or, we keep our word to the League, stop American commerce,

and risk a declaration of war from Washington. And that on the one issue which really has been dangerous to peace in Anglo-American relations ever since 1783: which led to war in 1812: which at times led perilously near the edge during the first part of the Great War. More than that: the existing form of the United States navy dates from the Naval Construction Act of 1916, put through by President Wilson precisely in order to enforce the American view of American rights in this matter, and to compel Great Britain to keep her hands off American commerce with any country not at war with America. The thing was a nightmare: one hardly dares to think which of the two decisions Great Britain would have taken had the emergency arisen. Wreck the League, or fight America? Thank God, we were never faced with that dilemma: yet the fact that it was there, an ever-impending danger, goes far to justify the caution with which successive British Governments have handled some of the big problems of the League. In cold truth, one sometimes wonders how it came that we did not follow America out of the League.

Thus one immediate though unforeseen effect of the Covenant was to render an old danger yet more dangerous, so long as America was outside the ring of countries owing mutual duties to each other. For the 'unthinkable' Anglo-American war (so much talked about during recent years) was never in sight as a straight quarrel between the two countries: it was, however, an imminent possibility the moment Great Britain became involved in war with any third party, and began utilizing her sea power in the only way in which it is effective. And it was conceivable that the League ban might have been called upon any country, anywhere: while it is hard to imagine a single case in which the Anglo-American naval issues would not have been raised.

vii. *The Effect of the Pact of Paris.*

During the time while we in Europe were getting the League going and getting our ex-enemies into it, despite all the post-war passions and difficulties, America, aloof, was developing a way of her own for dealing with the main issue of war: a way that has deeply affected the problem we are debating to-day. In Europe, we of the Old World want peace: but we tend to think of War as a dangerous operation which may sometimes have to be performed. The New World is tending to think of War as a damnable thing that ought to be eradicated altogether. This New-World view developed into the American movement for the Outlawry of War: and it was this powerful simple idea which, having gripped a great mass of American opinion, seized upon the suggestion of Mr. Briand on 6 April 1927, and transmuted a proposed two-sided treaty of permanent peace into the world-wide Pact of Paris last August.

We are concerned here with only one aspect of that short but great instrument. It definitely brings the United States into a ring of nations, now almost world-wide, *who have entered into certain mutual obligations to each other*. True that the document is an oddly negative one: we ‘*renounce*’ war ‘*as an instrument of national policy*’, without saying what our policy shall be: we agree that the settlement of disputes ‘*shall never be sought except by pacific means*’, without a hint of any pacific machinery: and we ‘*deny the benefits furnished by the Treaty*’ to all breakers of it, without making any particular penalty. Positive obligations of any kind are conspicuous by their absence: which will in all likelihood prove in the long run to be the great merit of the Pact. For it leaves the way broad and open for all sorts of future developments. The Covenant,

minus America, may have been incomplete: but the Pact, minus the Covenant, would be nearly meaningless. What world-wide pacific machinery can there be, save that of the League? Thus we have, as one of the first-fruits of the Pact, the immediate prospect of the adherence of the United States to the Permanent Court of International Justice.

But we have much more than that. We have the prospect of further co-operation. What is to happen if any signatory to the Pact should break it? Americans to-day are busy thinking out the answer to that problem. How may they best help to prevent any Pact-breaker from *gaining any advantage from his illegal resort to armed force*? No longer are they outside the ring, causing us nightmares about their action if we keep our pledges. The position is clarifying almost from day to day, under our eyes. You have, for example, the Fourth of July Celebrations in London last month: with General Dawes in the Chair, you have Dr. Hibben, President of Princeton University (a private citizen, who can commit no one) going straight to the heart of the entire problem:

‘The logical implications of the Peace Pact throw a new light upon the difference of opinion which obtains between Great Britain and the United States concerning the Freedom of the Seas. If the Pact means what it says, how would it be possible for the United States to disregard the blockade of a foreign port by Great Britain? Such a blockade can only occur in the event of an aggressor nation declaring war against Great Britain. If such aggressor nation has repudiated the stipulations and conditions of the Pact, that nation at once ceases to be a people worthy of any consideration whatsoever. As to the *possibility of the United States having any relations with such a nation, that is inconceivable*. That nation has put itself beyond the pale.’

Such a speech cannot have been made in such a place this

summer by accident. It is becoming evident that American opinion will not be in favour of continuing normal peacetime relations with any breaker of the Pact: and that the form which American pressure is likely to take will be to refuse to do any business with such a country. 'We will neither buy from, nor sell to, a Pact-breaker': one can see that policy meeting with American favour.

But on the day on which we have official American endorsement of such a policy, America will have come into line, for all practical purposes, with Part (i) of Article XVI of the Covenant:

'Should any Member of the League resort to war in disregard of its covenants . . . it shall *ipso facto* be deemed to have committed an act of war against all other Members of the League, which hereby undertake immediately to subject it to *the severance of all trade or financial relations*.'

And, by the same act, the problem of the freedom of the seas would be resolved: for the seas would only be free to those nations who observe the Law, including the Pact of Paris.

Every ship in the Royal Navy has a short service of daily prayers. At every service the ship's company prays:

'That we may be for a security to all such as pass upon the seas *on their lawful occasions*.'

The old sea prayer is taking on a new and larger meaning. Those who may try to use the seas *unlawfully*, breaking Covenant and Pact by illegal resort to war, will be deprived of all freedom upon them save freedom to return speedily to lawful behaviour. And all navies alike, of all law-abiding nations, will be acting together 'for a security to all such as pass upon the seas *on their lawful occasions*'.

Define and codify and regulate the Law of the Sea in war as you may wish: it may be politically necessary, but most of the work is likely to be rather waste of time: save this, that *no State guilty of resort to war in breach of Covenant or Pact shall have any rights at sea whatever.*

viii. *Conclusion.*

This, then, is the age-old problem underlying all the exciting debates between Great Britain and America. It nearly wrecked the Armistice in 1918, and almost led to a separate German-American Peace: it helped the American rejection of the League: it did wreck the Coolidge Conference here, in 1927—though I believe the subject was never mentioned: it conditions the answer to President Hoover's challenge last April:

‘Let us ask ourselves honestly what these establishments are for?’

It directs the use to which the famous ‘yardsticks’ are to be put: it decides the purpose, *and therefore the size*, of the navies of the world. ‘There is room,’ says Dr. Nicholas Murray Butler, ‘for navies of peace: there is none for navies of war.’ A satisfactory answer to the problem, such as is to-day actually in sight, though not as yet attained, would increase the sense of security of every law-abiding nation on earth, and help, more powerfully than any other method, to reduce the risk of war and the need for armaments.

Postscript.—The famous joint statement issued on 9 October 1929, by Mr. Ramsay MacDonald and President Hoover, contains in its first paragraph, an observation that bears directly upon the subject of this address. The two statesmen refer to the means by which the moral force of our countries can be exerted for Peace! Plainly, moral force exerted for Peace is not compatible with material aid rendered to the Peace-breaker.

SECTION IV
PROBLEMS OF DEVELOPMENT

CHAPTER VIII
INDUSTRIAL RELATIONS

Mr. G. A. JOHNSTON:

EVERYBODY knows roughly what is meant by industrial relations, but nobody knows precisely what is meant by industrial relations. In this respect industrial relations may be compared to the doctrine of relativity, of the meaning of which everybody has a vague idea, but with regard to which nobody is precisely clear.

In speaking of industrial relations to-day, I propose to do four things. First, to describe the rapidly increasing interest which has been shown in the last two years in many countries of the world in industrial relations; second, to define the term and consider precisely what it means; third, to explain the reasons for the increased attention devoted recently to the development of industrial relations; and, finally, to sketch some of the more important aspects of the new industrial relations movement.

i. *Increasing Interest in Industrial Relations.*

Few features of the modern industrial world are more remarkable than the increase of interest in recent years in industrial relations, and more particularly in the possibility of securing a permanent improvement in industrial relations through the active collaboration of employers and workers.

On this question the Eleventh Session of the International

Labour Conference, held in 1928, adopted the following resolution:

‘Whereas it is contended that a policy of active collaboration between employers and employed, such as exists in certain countries, has resulted both in an improvement in the level of real wages and working conditions, and also in greater and more economical production; and

‘Whereas the economies resulting from such collaboration can also be made available for the benefit alike of the employers, employed and the community as a whole;

‘Therefore be it resolved:

‘That this Conference requests the Governing Body to consider the advisability of instructing the International Labour Office to follow with due attention the progress of the spirit of collaboration between employers and employed and to report on the subject from time to time.’

This resolution drew attention, in the international sphere, to tendencies which were developing rapidly in 1927 and 1928 in a number of individual countries.

The results of the application of the new industrial relations policy in the United States had already in 1928 attracted widespread attention in other countries. Official or unofficial missions to study American experience had been sent from Germany, Great Britain, Australia, and other countries; and from every industrial country in the world individual employers, and less frequently individual workers, had gone to judge for themselves of the success of the American experiment.

American opinion did not itself appear in 1928 to be in any doubt as to the success of the experiment. Take, for example, the description of the philosophical basis and practical results in the United States of the spirit of collaboration given by the

United States Secretary of Labour, Mr. J. J. Davis, in an address at the Foremen's Club, New Haven, on 31 January 1928:

'A wholly new idea [he said] pervades American industry. We have never known a time when employer and employee worked together in such genuine partnership. American industry has never experienced an era of such goodwill and harmony between manager and man as we have to-day. Strikes and discords have never been fewer. The country has never been so filled with general contentment. This generally prevailing harmony, this smoothness of operation in most of our industries, has doubtless played a great part in bringing about the prosperity we have now enjoyed for several years. . . . And just as employer and worker have discovered the broader benefits of this new partnership, so I believe each has discovered its personal possibilities. Employers are now striving to deal in a personal manner with their workers not only in such matters as wages, working conditions, hours and the like. All those questions are now in the main ironed out around a table in a friendly manner. The worker and his boss have found that they are simply two business men who prosper best when they settle between them, as business men should, all matters at issue between them.'

A further significant feature of industrial relations experience in the United States in 1928 was the extraordinarily wide extent of the interest taken in industrial relations. Industrial relations did not interest merely employers and workers. It would hardly be an exaggeration to say, it would certainly not be a fantastic exaggeration to say, that everybody in the United States was interested in industrial relations. A list of some of the bodies actively preoccupied in 1928 with the study and promotion of industrial relations is sufficient to show how wide and intense was the concern of American opinion with the problem of industrial relations.

(This list excludes Government agencies); The National Safety Council; the Taylor (Scientific Management) Society; Russell Sage Foundation (Department of Industrial Studies); Young Men's Christian Association (Industrial Department); Society of Industrial Engineers; American Association for Labour Legislation; Bureau of Personnel Administration; Princeton University (Industrial Relations Section); Metropolitan Life Insurance Company (Policy Holders' Service Bureau); Federal Council of the Churches of Christ in America; American Council on Education; Labour Bureau Inc.; Workers' Education Bureau of America; Personnel Research Federation; National Child Labour Committee; Academy of Political Science; National Bureau of Economic Research; National Institute of Industrial Psychology; National Civic Federation; National Industrial Conference Board; American Management Association; Social Science Research Council. This list, which might easily be extended, shows clearly the extent to which industrial relations has become part of the public conscience in the United States.

While the movements which took place in other industrial countries in 1927 and 1928 were in part influenced by American experience, their genesis was perhaps mainly due to another series of causes, involved in each case in circumstances peculiar to the country concerned.

An illustration of this general truth may be derived from the development of the new industrial relations movement in Great Britain.

On the one hand, the success of the industrial relations movement in the United States was not without influence on the development of the attitude of the workers and employers of Great Britain. The Government mission to the United

States, which included prominent representatives of the employers and workers, published a unanimous report, many leading British employers visited America independently to study industrial development, and the Trades Union Congress received fraternal delegates from the American Federation of Labour, who emphasized the industrial relations policy of the American workers. It was impossible for British opinion to remain impervious to these various streams of influence.

On the other hand, a congeries of circumstances, peculiar to Great Britain, gave the impetus which led to practical action. It was the pressure of the specific set of events of which the disputes of 1926 were the symbol which inclined certain powerful sections of the employers and workers to seek positive results through active collaboration.

This movement crystallized in the Conference between a representative group of employers and the Trades Union Congress General Council, which, officially known as the Conference on Industrial Reorganization and Industrial Relations, gained wide publicity, in accordance with the British tendency to concretize and personalize, as the 'Melchett-Turner Conference'. This Conference issued an interim joint report, which included agreed resolutions and statements on such questions as a National Industrial Council, rationalization and the prevention of disputes. The report was adopted by the Trades Union Congress, and though the employers' associations, the National Confederation of Employers' Organizations and the Federation of British Industries, did not agree to it, they invited the Trades Union Congress to a further Conference. This invitation was accepted, and negotiations are still continuing with a view to helping forward a better mutual understanding in industry.

In a certain number of other countries—for example,

Sweden, Australia, and New Zealand—national conferences on industrial relations were held in 1928. Some of these were held under the auspices of the Government, others on the initiative of employers' organizations. In both cases, however, the purpose was the same, namely, to explore the possibility of closer co-operation between employers and workers with a view to increasing production and raising the standard of life of all engaged in industry.

In other important industrial countries increased attention was devoted in 1928 to the improvement of industrial relations, though no special *ad hoc* national conferences were convened. In France and in Germany, for example, no steps were taken for the calling of a national conference on industrial relations. The reason was that increased use was made of machinery already existing in those countries for the study of problems falling within the ambit of an *ad hoc* conference on industrial relations.

In Italy also progress was made in improving collaboration between employers and workers. According to Fascist doctrine, a permanent harmonizing of the various economic and social activities is not conceivable except as a function of the State. Even the action of the trade associations must be considered as directed simultaneously to the immediate defence of occupational interests and the mediate attainment of an aim of national utility, the increase of production. Their powers of discipline, of levying contributions, and of representation are to be considered as delegated by the State and exercised in its service.

It is not without significance to note that, in addition to the steps which were taken in the national sphere in 1928 to secure an improvement in industrial relations, the year 1928 was also marked by an international development.

The International Industrial Relations Association was definitely formed in 1928 out of the previously existing International Association for the Study and Improvement of Human Relations and Conditions in Industry. In the Statutes, the aim of the Association is stated to be: To study and promote such principles and methods as tend to develop satisfactory human relations and conditions in all undertakings involving the employment of persons. This aim is based upon the conviction that in whatever social order industry, agriculture, and commerce may take form, there will always be human problems arising from the employment of persons that can be solved or approached by all concerned without abandoning their own attitude towards the social and economic order.

ii. *The Meaning of Industrial Relations.*

We have seen, as a result of this very rapid survey of the development of industrial relations, that this new interest manifested itself almost simultaneously in many, if not in most, of the industrialized countries of the world in 1928. We have not yet, however, considered precisely what we mean by industrial relations. We must now attempt to seek a definition of the term. Many definitions have, in fact, been given, especially in the United States, where, as we have seen, intensive study has been devoted to this new science. Instead, however, of adopting the empirical method of comparison and criticism of previous definitions, let us attempt rather, by an analytical method, to reach a definition which would appear to be logically satisfactory.

In using the analytical method we are at once faced with the difficulty that the words of which the phrase 'industrial relations' is composed have each so wide a meaning that

almost any form of contact involved in occupational activity could be comprised within it. It is therefore necessary to create some special conventional meaning for the term, just as a conventional meaning has been developed for the term 'civil service', of which the two component words are also extremely wide in meaning.

We may, however, make some progress towards our definition by reflecting that 'industrial relations' refers to contacts between employers and employed, and may therefore be distinguished on the one hand from 'commercial relations' (contacts between employers and employers or between employers and consumers), and on the other hand from 'financial relations' (contacts between employers and the supply of capital, through shareholders and banks or other financial houses).

The first stage of our conclusion, therefore, is that 'industrial relations' is in the field of contacts between employers and employed.

Here, however, we must make a further distinction. The term 'employer' is itself a vague one. The employer has many functions. As financier, he supplies the capital necessary to carry on his undertaking. As merchant, he finds markets for his products. As technician, he supervises the technique of industrial processes. As manager, he organizes labour to the accomplishment of production. At an early stage of industrial progress a single 'employer' may combine in his own person all these functions. Even under the conditions of modern industrialism 'the small employer' may still perform all these duties. But the application of the principle of the division of labour naturally and inevitably leads to the assignment of the various functions of the employer to different persons. The employer may cease to supply the capital himself, he

obtains it from the public or from banks. He may cease to sell his products himself, he uses salesmen to do it. He may cease to supervise technique himself, he uses technical staff for the purpose. He may cease to organize labour himself, he hands this duty over to management.

It follows from this analysis that 'industrial relations' is in the field of contacts between the employed on the one hand and management (or the employer *qua* manager) on the other hand.

One further distinction must, however, be made. The word 'contacts' must be rendered more precise. 'Industrial relations' does not cover all contacts between management and workers. It covers only *organized* contacts. Sporadic, occasional, accidental contacts between managers and workers do not fall within the scope of industrial relations. The contacts involved in industrial relations must embody a normal, routine, habitual quality.

The final conclusion, therefore, as a result of our analytical process and *a priori* method is that industrial relations is in the field of organized contacts between management and the workers.

Such organized contacts between management and workers may take place either (a) in the form of relations between the organizations of employers and organizations of workers, or (b) in the form of relations between the management and the workers of an individual firm or even of a particular shop in an individual firm.

The view has sometimes been held that 'industrial relations' in Europe refers to the former form of contacts, and 'industrial relations' in the United States to the latter form. Expressed in other words, in the United States 'industrial relations' refers to conditions *within* the individual factory,

and in Europe to conditions *outside* the individual factory. While, however, this view cannot be maintained, in the harsh form in which it has been stated, there is nevertheless some truth in it. It is true that whereas in Europe the main tendency (although there are notable exceptions) is to consider that industrial relations are a matter for regulation by legislation and by general agreement between organized bodies of employers and workers, in the United States the main tendency (though there are notable exceptions) is that industrial relations are a matter for regulation within the individual firm.

The two main positive points to which we have been led as the result of our discussion of the meaning of industrial relations are the following: (a) 'Industrial relations' denotes organized contacts between management and workers, and more particularly those organized contacts involved in immediate connexion with employment. (b) 'Industrial relations' connotes an attitude of mind which, in abstraction from any doctrine, is in favour of the exploration of the possibilities of collaboration between management and workers.

Each of these two points requires a short commentary.

(a) It is to be emphasized that industrial relations is in the field of contacts between management and workers. It is, therefore, an economic problem and not a political problem. It is a problem in the field of relations, not between capital and labour, but between management and labour.

In the modern industrial order, it is becoming more and more evident that it is necessary to distinguish clearly the three main functions in industry: (1) the function of supplying capital; (2) the function of supplying management; and (3) the function of supplying labour. In a primitive order of society, one man may supply all three—capital, management,

and labour. The small shopkeeper does this, or the smith at his forge. As industrial development increases, however, these functions are handed over to different individuals. Various problems of relationship therefore arise between the three elements. There is a problem of relations between capital and management and there is a problem of relations between capital and labour. But it is becoming more and more clearly realized that neither of these problems is a problem in the field of industrial relations. The problem of industrial relations is essentially a problem of contacts between management and the workers.

With the growth of the joint-stock company the demarcation between the capital supplier and the manager is becoming every day more clear. In a large number of cases the manager is also a capital-supplier, but the number of cases is growing in which the worker is also a capital-supplier. It is more and more being realized that in fact management and capital-supply are becoming divorced.

It is important to be clear on this point. When the problem of industrial relations was vaguely considered as one of conflict between an impersonal entity known as 'capital' (which also included management) and an equally impersonal entity known as 'labour', the question became one essentially of theories.

But when it is realized that the essential problem is one of relations between human managers and human workers, the issue is joined on the basis of solid matter of fact, and the solution of the problem becomes practicable.

In all this movement in favour of improved industrial relations a dominant idea is the increase of concern with the human factor in its physical, psychological, and moral aspects. If we wish to make a distinction between the way in which this

conception is applied in Europe and in the United States, it may be suggested that, while in Europe this increased concern with the human factor is apt to be studied in relative isolation and as a special problem, in the United States its influence tends to extend to the whole consideration of the problem of industrial relations in all its aspects.

A further consequence of our conclusion is the following. Industrial relations in the sense of relations between management and workers are not necessarily affected by the political views of the respective parties. In the United States, before the advent of the new industrial relations policy, relations between management and workers were often so strained as to lead to disputes in which blood was freely shed. Yet in these cases workers and management were of the same political views.

On the other hand, in Germany or Great Britain, the fact that a large proportion of the workers are of one political view and a large proportion of management of other political views has not prevented, in many cases, the prevalence over long periods of amicable industrial relations.

The organization of industry is, in fact, a business proposition, and examples either of strained or of harmonious industrial relations may be found under any political régime.

The essential problem is the relation between the workers and management. This problem is in fundamentals the same, whatever be the political or economic theories of those engaged in industrial activity.

(b) We have now to comment on the second point in our conclusion, namely, that industrial relations connote an attitude of mind which, in abstraction from any doctrine, is in favour of the exploration of the possibilities of collaboration between management and workers.

A good deal of suspicion of 'industrial relations' has been felt both by workers and by employers, in the belief that it embodied a doctrine.

The workers feared that it involved an attack, direct or indirect, upon trade unionism. This fear was based on the undoubted fact that in the United States many 'Industrial relations plans' were elaborated by firms which were opposed to trade unionism. But the American Federation of Labor pronounced in favour of the study of improved industrial relations, and the movements on a national scale in other Anglo-Saxon countries have all involved the participation of the representative trade unions.

The employers feared that it involved various devices such as works councils, employee representation, and the rest, which might eventually lead to a renewal of the demand for workers' control and to an invasion by the workers of the field of management. But, in point of fact, in the various schemes which have been put into operation, while provision has been made for consultation of the workers, on questions relating to working conditions, and for the participation of workers in shareholding and profits, there has been, so far, little indication that the industrial relations movement would lead to any active participation of the workers in management.

Some harm has been done to the movement by the tendency in some quarters to identify it with the movement for 'social peace'.

Now 'social peace' inevitably involves misunderstanding and misapprehension. For social peace may be based either on a static conception or on a dynamic one.

According to the static conception, social peace means simply the maintenance of the *status quo*, the unchangeability

of relations between employers and workers, the fixity of the relative financial advantages of workers and employers.

According to the dynamic conception, social peace means a constant new creation, growth and development in relations, progressive improvement of conditions of all engaged in industry.

The workers have always been suspicious of 'social peace', because they tended to interpret social peace in the static sense.

The term 'industrial relations' does not, and ought not to, involve any doctrine. It is, and should be, a neutral term. 'Industrial relations' may be 'good' or 'bad', 'cordial' or 'strained' just as diplomatic relations may be 'good' or 'bad', 'cordial' or 'strained'.

But while industrial relations are not based on any doctrinaire foundation, it does, as we have seen, involve an attitude of mind—the attitude of mind that, whatever may be the political or economic conceptions which govern the thinking of the masses of the employers and workers, it is worth while to explore the possibilities, purely as a business proposition, of active collaboration between management and workers.

What do we mean by active collaboration between workers and employers? It is obvious that a certain amount of collaboration inevitably takes place. This is clear from the mere fact that the employer employs a worker and that the worker works for an employer. Between the worker and the employer there may be an appearance of conflict; there may be the reality of conflict. It is easy for the idealist to say that the interests of both worker and employer are the same; but it is necessary for the realist to recognize that, while ultimately this may be true, circumstances may arise—and in

practice do arise—where the interests of the worker and the employer in the individual factory come into quite definite conflict and clash. In other cases, however, conflict may be more apparent than real. Just as, at first sight, the various parts of a complicated piece of machinery which may be moving in different directions with regard to one another may appear to be in conflict, but in reality are all contributing to the same purpose, so many of the apparent conflicts and divergencies of interest between the employer and the worker are due to a short-sighted point of view and conceal the fact that the whole machine, employers and workers included, is working towards the same end.

iii. *Reasons which have led to the Growth of Interest in the Problem.*

What causes have led to the great growth of interest since the war, and particularly in the last two or three years, in the problem of industrial relations? These causes are numerous, and they differ somewhat from country to country. There are, however, certain general features of the post-war situation more or less common to most industrial countries which have undoubtedly exerted an influence on the development of interest in industrial relations.

1. In the first place, the movement for improved industrial relations has been influenced by reflection on the industrial vicissitudes of the post-war years. The general characteristics of the industrial history of the post-war period are well known to all. The end of the war was followed throughout the world by a period of feverish industrial activity accompanied by an outbreak of collective disputes of record proportions. Then suddenly came a slump in industry, accompanied by a great increase in the number of bankruptcies, an enor-

mous fall in prices, an extraordinary extension of unemployment, and serious reductions in wages. The period of boom had been an extraordinary one, and it was succeeded by a period of slump no less extraordinary. The acutest period of industrial dispute was to be found, as might, on general principles, be expected, at the watershed between the boom period and the slump period. The workers, still believing that the upward curve of prosperity and prices would go on rising, continued to strike for an increase in wages and better conditions; the employers, already warned that the upward movement was becoming stationary and might soon change its direction, became more stubborn in their resistance. In these circumstances it was fated that disputes should be long and bitterly fought, and should be exhausting both to the employers and to the workers. Reflection on the events of these troubled years suggested both to employers and to workers in many countries that it might be worth while to examine seriously the possibilities of securing improved industrial relations through active collaboration one with another.

2. A further very important cause of the growth of interest in industrial relations is to be found in the development of management as a separate and self-conscious function. It was in the United States that management first became fully conscious of its powers and responsibilities. The American Management Association was founded in 1923. It did not originate interest in the United States in industrial relations, but it centralized it and focused it. Management in the United States was profoundly influenced in its attitude to industrial relations by two sets of conceptions.

In the first place, the report of the Committee on Elimination of Waste in Industry of the Federated American Engineering Societies, published in 1921, exercised a great

influence on individual employers in leading to a study of the factors which led to low production. Several years of extremely stiff competition were inaugurated by the depression of 1921, and during this period an increased interest on the part of the management in improving industrial relations was in many instances found to pay, and therefore continued. The new industrial relations policy in the United States was from the start intimately concerned with the collaboration of workers and employers in the interests of increased production and a higher standard of living. Management, charged with the duty of securing increased production, tried to enlist the active collaboration of the workers.

In the second place, management became deeply impressed with the business value of goodwill. The business value of goodwill in commercial relations had always been recognized. Management decided to try to develop the business value of goodwill in industrial relations. The study of goodwill became a science, and the practice of goodwill became a religion. Under the influence of these two sets of conceptions, management in the United States actively encouraged the movement in favour of improved industrial relations.

It is generally admitted that in Europe management is less self-conscious, less self-critical, and less ready to exchange experience than in the United States. Under the influence of American experience, however, much has been done in Europe in the last two or three years to develop 'management groups' or 'management associations' consisting primarily of managerial and technical officers of industrial companies for the study and discussion of problems of management and industrial relations. The sections of such associations which discuss industrial relations are composed of the officers of the companies mainly concerned with securing improved produc-

tion, and they have become impressed with the desirability, in the interests of better production, of good relations with the workers.

3. The interest in industrial relations has also been stimulated by industrial psychology.

In the first place, industrial psychology has emphasized the fact that the study of personal relations between management and the workers is just as important as the study of the technique of industrial processes. Production may clearly be increased by improving any of the means that contribute to it. Before the economic utilization of power-driven machinery an increase in production depended mainly upon improving the craftsmanship of the worker. When the industrial revolution introduced the era of machine production, an increase in production was sought by improving the machinery used and the processes of manufacture. Mechanical means became more important than human means. In recent years, however, the pendulum has again been swinging in the direction of the worker. While every effort continues to be made to improve machinery and organization, attention is being devoted to the study of the laws which govern the functioning of the human factor in industry. From the standpoint of production, the aim is, by improving personal relations in the factory, from management down to the worker, to lead to a greater output. From the standpoint of the individual worker, the aim is to enable him to produce this larger output in a shorter working day than was formerly considered possible and still be sufficiently little fatigued to utilize with advantage the leisure which he thus obtains. Industry tends necessarily to become more and more mechanized and standardized. It is important, however, to remember that the individuals who use these machines are men and women, and men and

women cannot be treated as machines. It is as ridiculous to treat a machine as a person as it is to treat a person as a machine.

In the second place, industrial psychology has led to the laying down of scientific bases for personnel administration on the one hand, and social work on the other. It has shown why welfare work of a paternalistic kind is unsatisfactory from the standpoint both of the employers and of the workers. The old welfare work was based on the conception of a fatherly employer being good to his workers. The new welfare work is based on the conception that welfare work, in the management of which the employees must participate, is definitely good business. The new welfare work applies to the old the aphorism 'The time of the wise is largely occupied in repairing the mischief caused by the good'.

In the third place, industrial psychology has led to a better understanding, on the one hand of the human instincts on which attitudes in the field of the relations between management and the workers are based, and on the other hand, of the competing loyalties to which both workers and employers are exposed. Among these instincts, the social significance of which has been explored by industrial psychology, perhaps the most important is that of pugnacity. In the world of industry pugnacity manifests itself in strikes and lockouts. The modern strike and lockout are more closely akin to the war of attrition than to the physical clash of the Middle Ages. Employers and workers alike try to make their claims prevail by wearing out their opponents. The study of psychology has shown that the instinct of pugnacity in all the realms in which it manifests itself can be sublimated into emulation. The active encouragement of emulation is undertaken in the modern State in all fields of activity. In the industrial field

industrial psychology has increasingly devoted itself to exploring the ways in which the instinct of pugnacity may be sublimated into emulation. This involves, in popular language, the development in industry of the team spirit, the spirit of playing the game, the spirit of *esprit de corps*.

Industrial psychology has also devoted study to the question of conflicts of loyalty. This is one of the most important questions in the whole area of industrial relations. So long as it was believed that a man could entertain only one loyalty the problem of industrial relations remained insoluble. On this view, if he were loyal to his firm, he could not be loyal to his trade union, and vice versa. But the study of psychology in the modern industrial world has shown that the institutions which claim a man's loyalty are now infinitely more numerous and the claims themselves are infinitely more insistent than ever before. It is possible to correlate and co-ordinate some, at any rate, of these loyalties, and overcome the conflicts to which they may give rise. Sovereignty, as has been said, has become plural. The world demands plural allegiances, and in the industrial field much has been done to show how these plural allegiances may be co-ordinated, if not completely unified. The correlation of loyalties which is most difficult in the industrial world is clearly, in the case of the employer, the correlation of his loyalty to his firm and his loyalty to his employers' association, and in the case of the worker, the correlation of his loyalty to his firm and his loyalty to his trade union. Industrial psychology has shown that such correlation is not merely a *tour de force*, but may be based on sound scientific principles. By doing this it has contributed to facilitate industrial relations and to develop interest in them.

4. Perhaps, however, the most important of all the causes which has led to an increased interest in industrial relations

is the development of rationalization. There is still much uncertainty as to the precise meaning of rationalization. It is a new science, and whenever any new science is in process of development, there is invariably much discussion, and even dispute, as to definitions. It is a great advantage and, indeed, a very rare occurrence, when an authoritative body can be found at an early period in the history of a new science to give a considered definition. A definition of rationalization was, in fact, given by the World Economic Conference of 1927, and this has undoubtedly exercised a wide influence on the development, not only of the movement for rationalization, but also of the movement for industrial relations. That resolution explicitly referred to the necessity of securing the co-operation of the employees as regards the organization of labour. It has been said by Lord Balfour that rationalization simply means the application of common sense to industry. That is true; it is almost a tautology, for 'common sense' to an Anglo-Saxon means precisely the same as 'reason' to a Latin. The steps taken in European countries in the application of the methods of rationalization have undoubtedly led to an increased amount of consultation of the workers, and, on the whole, to improved industrial relations. It seems clear to many that if the principles of rationalization be applied to industrial production, they ought equally to be applied to industrial relations. If they be applied to the economics and chemistry of industry, they ought equally to be applied to its physiology.

iv. Important Aspects of Modern Development.

So far we have spoken as if the interest in industrial relations was an entirely new thing, belonging only to the last year or two. But of course a certain amount of interest always

has been taken in industrial relations, the relations between the employer *qua* manager and his workers. From this point of view modern industrial history may be divided into four main periods. This historical division into periods is true in the main for conditions in Great Britain, many parts of Western Europe, and the Eastern seaboard of the United States. It applies to the 'industrialized circle' of which Werner Sombart has spoken.

The first period is that of the domestic system of production, in which goods were produced by a family group, often assisted by apprentices and possibly by a few journeymen, who might themselves aspire to become independent. The character of industrial relations in this period is indicated in a chapter entitled the 'Good Master', written in 1642 by Thomas Fuller, in a book called *The Holy and Profane State*. Thomas Fuller says of the good master, 'He is the heart in the midst of his household. He is first up and last to bed. He aims at his own and his servants' good and he advances both. He oversees the work of his servants. He provides them with victuals, and he allows them also convenient rest and recreation.' From the standpoint of industrial relations, this period may be regarded as the 'humane' period.

The second period, which may be called the 'inhuman' period, is that of the industrial revolution, which may be regarded as extending within the general limits of the geographical area defined above from 1769, the year in which James Watt patented his improved steam engine, to 1848. This was the period when the workers, men, women, and children, were forced, often in pain and suffering, to carry out the will of their employers.

The third period, which may be called that of 'non-human' relations, may be regarded as extending from 1848

until the outbreak of the war. This was a period in which mechanical conceptions of industrial relations ruled. Employers and workers regarded one another purely from an external and mechanical standpoint, and industrial relations were regulated by the conceptions of physics rather than those of psychology.

The last period, which may be called the 'human' period, is that which began during the war. In this period greater and greater stress has been laid on the fact that both management and workers are human, and that the improvement of industrial relations depends on a due appreciation of the psychological laws which govern the contacts of human beings.

In the most recent period, the active collaboration of workers and employers has been manifested particularly in the fixing of working conditions, in participation in management, in the financial results of undertakings, and in national affairs.

In the fixing of working conditions, experience in most industrial countries has shown that valuable results may be obtained by making provision for the discussion between the employers and workers of all questions relating to working conditions. In some cases this consultation is provided for by legislation—for example, in the case of the German Works Councils. In others it is provided for on a voluntary basis with government encouragement, as in the Joint Industrial Council system in Great Britain. In yet other cases provisions have grown up spontaneously within individual firms for the setting up of various types of machinery for securing regular consultation between the management and the workers employed.

Something has also been done with a view to seeking the collaboration of workers with employers in the field of manage-

ment. This movement gave rise to the desire for 'workers' control', of which much was heard some few years ago. The phrase 'workers' control' was, as a matter of fact, a very unfortunate one, particularly in the international field, because 'workers' control' and 'contrôle ouvrier' meant two very different things. Control, in English, involves the notion of domination, whereas in French all it means is the possibility of exercising some sort of check. The campaign for workers' control gave rise, therefore, to many misunderstandings, and participation in management is no longer generally regarded as forming an integral part of modern industrial relations policy.

Much has been done in various countries in collaboration between workers and employers in regard to the financial results of undertakings in which they are employed. Profit-sharing and co-partnership have continued to make progress—though sometimes slow progress—in European countries, and employees' stock ownership in the United States has developed by leaps and bounds. In such industries as railroads and telephone services a very large proportion of the total number of stock-holders in the United States consists of the employees of the business concerned.

Finally, active collaboration between workers and employers has taken place, through national economic councils of various kinds, in national affairs. Such councils have been set up not only in France and Germany but in other countries, and are attempting to carry on some of the work that was started by direct collaboration between employers, workers, and the State during the war years.

These are merely a few of the respects in which increasing interest is being taken, both by employers and by workers, in the possibility of securing an improvement, through active

collaboration, of the economic interests of themselves and the community as a whole.

The benefits that may flow from the new practice of industrial relations, if resolutely applied, are very great. These benefits are both material and spiritual. In the first place material. If the industrial order has produced such wealth and well-being as it has, in spite of opposition and conflict, what is it not capable of producing if all parties work together in harmony? In the second place, spiritual. The new practice of industrial relations involves important psychological consequences. Instead of mutual hatred and contempt between employers and workers, there is the hope of mutual respect and regard. Instead of each playing a lone hand, each will seek, in loyal service to the community, to realize the highest ideals of citizenship.

CHAPTER IX

THE FUTURE OF THE INTERNATIONAL LABOUR ORGANIZATION

Mr. E. J. PHELAN:

LAST year Professor Rappard lectured on the Future of the League of Nations. Those of you who heard his address, or who have since read it,¹ will remember his brilliant analysis of the criticisms and failures of the past, and his non-committal optimism for the future. About the future we can only hold an opinion, we cannot advance proofs. And however much we may believe in the League idea, however enthusiastically we may hail its undoubted progress up to the present, possibly setting it higher than Professor Rappard was prepared to do, we are bound to accept his conclusion that, while the continued success of the League is probable, it is by no means sure, and is certainly not to be regarded as automatic.

Much of Professor Rappard's analysis applies equally to the International Labour Organization, and it would serve no useful purpose to translate it into Labour Organization terms. I propose therefore to take his general analysis for granted and to attempt to discuss not the general future of the International Labour Organization, but certain problems which a careful observer can already discern on the horizon and the solutions which it is possible to imagine for them. I do not propose to deal with possible international solutions of this or that industrial problem. It would obviously be futile to attempt to predict what may be the decisions of future international conferences, even if it were proper for

¹ See *Problems of Peace*, Third Series.

me to do so. I propose therefore to deal with the framework or mechanism in which those decisions may be worked out.

The authors of the constitution of the International Labour Organization provided it with a fairly complete but at the same time fairly rigid machinery. They could not foresee exactly how that machinery would work nor what would be the kind and the number of the questions with which it would be called upon to deal. It is now practically ten years since that machinery began to function. It will be remembered that the first International Labour Conference met in Washington at the end of October 1919. In August 1919 a small international staff was already engaged in the preparation of that Conference and some of the methods which have since been followed as regards subsequent Conferences were then being evolved. We have thus a complete decade to look back on, and it is perhaps a suitable moment to consider how far the machinery has proved well adapted for its task and how far the tasks which it has been called upon to perform correspond to those for which it was designed.

i. The Representation of Rival Organizations.

The International Labour Organization has three main organs: the International Labour Conference, the Governing Body, and the International Labour Office. The International Labour Conference is composed of the delegations of the Members of the Organizations and each delegation is composed of four delegates, two governmental and two non-governmental. The latter two must be nominated by the Government concerned in agreement with the most representative organizations of employers or workers where such organizations exist.

This provision concerning the composition of a delegation to the International Labour Conference assumed that in each Member State there would be, or could be formed, an organization of workers¹ in agreement with which the delegate could be nominated. The authors of the constitution of the Organization were of course aware that there were cases where rival central organizations existed. But they considered that, however differently these organizations might be labelled, they would have common programmes as regards the improvement of conditions of labour, that, for example, a general Federation of Trade Unions and a Federation of Christian Trade Unions, in a country in which two such Federations existed, would be in agreement in desiring the international establishment of the Eight-Hour Day or an international convention forbidding the employment of children below a certain age, and that therefore there would be no insuperable difficulty in getting agreement as to the name of a representative from one or other Federation who would in fact be the spokesman of both. Moreover, the Federation from which the delegate was not chosen need not go unrepresented. The constitution provided that a delegate might be accompanied by a number of technical advisers, who in certain circumstances might speak and vote in his place. (Thus where rival Federations existed both could have representatives as technical advisers,) and although only one could have the delegate, since their policy would presumably be the same as regards the decisions to be taken by the Conference on questions on its agenda, a delegate from one or other would really represent the views of both.

The authors of the constitution of the Organization were aware that a solution of this kind would not always be easy,

¹ The same assumption of course applies to the case of employers.

and that it would at all events require negotiation. But they believed that if the Conference was to succeed, and if its decisions were to have the necessary moral weight behind them, it must contain workers' representatives who could speak with authority. In other words, when it came to expressing a view internationally the workers of a given country must be able to speak with one voice. It followed as a consequence that there could only be one delegate and that that delegate must be taken to speak for all the organized workers in the country from which he came. If there were more than one national organization of workers, and those organizations might really be considered to be nationally representative, they would have to agree on a delegate, and in so doing they would as it were form a single *ad hoc* organization. The necessity of appointing a single delegate to the Conference would in fact force the rival organizations to come together and would oblige them to discover how similar, if not identical, were their aims.

It may be said in passing that this hope of the authors of Part XIII has been largely realized in practice. An attempt was made in the early days of the Organization to lay down the principle that there could only be one organization in each country which could be considered as being *the* most representative, but an advisory opinion of the Hague Court made it clear that governments were within their rights in consulting a group of organizations and in nominating a delegate and advisers in agreement with such a group. Arrangements between rival organizations to share the number of technical advisers and as to which is to have the privilege of nominating the delegate have since been common. Thus the workers' delegate is able to speak for the whole of the organized workers in his country, or at all events for the great

majority of them, even when there is not a single permanent central organization in the country in question. The primary assumption involved in the system is therefore in practice fulfilled.

There is, however, another assumption involved which perhaps was less clearly understood by the authors of Part XIII and which has given rise to greater difficulties. The idea of a representation by a single delegate of all the organized workers in a given country not only presupposes, as we have seen, a single organization, or its equivalent, but also predicates that the questions to be dealt with in the Conference will be questions as regards which such representation will be both authoritative and technically competent. So long as the questions are of general import there is no inherent difficulty in the system outlined above. Two general workers' organizations will necessarily have identical or practically identical interests. It does not follow, however, that a general organization and the organization of the workers in a particular trade or occupation will have the same viewpoint on a question relating to that particular trade or occupation. In the world of workers' organizations there are particular interests and policies which may not coincide with general interests and policies.

ii. *The Representations of Maritime Organizations.*

The best-known case, of which those who have followed the work of the International Labour Organization are aware, is that of seamen. Seamen's organizations are highly individualistic. They share the seamen's distrust of landmen and landmen's organizations. They prefer to deal with their own problems, and the same may be said of shipowners. As a rule, this characteristic is reflected in governmental adminis-

trations. Whereas labour questions affecting other industries are dealt with together by one or perhaps two ministries,¹ the questions relating to conditions of work at sea are treated separately and usually by a department in a ministry which is not otherwise concerned with labour questions.

The authors of Part XIII were of course aware of this peculiarity. They made no special provision in the constitution of the Organization to deal with it, but they adopted a resolution saying that they considered 'that the very special circumstances concerning the minimum conditions to be accorded to seamen might be dealt with at a special meeting of the International Labour Conference devoted exclusively to the affairs of seamen'.

The idea they had in mind is fairly clear. They did not provide for a special maritime Conference. They merely suggested that if maritime questions were to be dealt with by a session of the International Labour Conference, then no non-maritime questions should be put on the agenda of that session. It would still be a session of 'the International Labour Conference', and the only International Labour Conference is the Conference defined in the constitution of the Organization. Thus maritime questions would be dealt with by a Conference in which the workers' and employers' delegates would have to be 'chosen in agreement with the industrial organizations which are most representative of employers or workpeople, as the case may be, in their respective countries'.

It has been argued that, if only maritime questions figure on the agenda of a particular session, the most representative organizations must be considered to be those which are most representative of maritime workers and employers.

¹ Mine workers are also sometimes an exception.

It is, however, difficult to accept this point of view. Even if we suppose that the resolution quoted above was intended to mean that, it certainly does not say so. And further, if it could be held to say so, it is no more than a resolution of a committee of the Peace Conference which cannot add to or alter the text of Part XIII of the Treaty. There is only one International Labour Conference constituted according to Article 389 of the Treaty in which non-Government delegates have to be chosen in agreement with the most representative organizations of employers or workpeople. It is difficult to admit that an organization limited to one trade or occupation can be considered as the 'most representative'. The text of Article 389 is admittedly lacking in precision, but if any doubt exists it may be held to have been removed by the constant practice of Governments and by the advisory opinion of the Court at The Hague.

What the authors of Part XIII had in mind was no doubt a practical compromise between their general principle of the single central national organization of a general character and their recognition of the special character of maritime work. They imagined that if only maritime questions figured on the agenda of a session of the Conference the national general organizations of employers and workers would naturally nominate shipowners' and seamen's representatives, that they would pass the right of nomination on to the shipowners' and seamen's organizations, just as the Governments might be expected to send Government delegates not from the Ministry of Labour or of Social Affairs but from the Ministry dealing with maritime affairs, and that thus that session of the International Labour Conference would be composed of delegates both authoritatively representative and technically competent.

Two difficulties were perhaps overlooked and were in any case to become manifest.

The system assumed that the organization of shipowners and seamen would be part of the central national federations of workers and employers respectively. If the former organizations should be outside the national federations the system would be undoubtedly difficult to work, and if they were on bad terms with them probably impossible.

The second difficulty is that which arises out of the right, and in fact it would seem the obligation, of non-maritime States to attend all sessions of the Conference.

It is not easy to imagine what the Committee of the Peace Conference had in mind in this connexion. It is difficult to suppose that they assumed that non-maritime States would stay away. The whole tenor of Part XIII, apart from its terms which seem to provide for attendance, is against that supposition. It is possible that, as the majority of the members of the Committee represented maritime States, the difficulty did not occur to them. In any case, they have left no clue as to how they considered it might be solved.

I do not propose to trace here how these two difficulties have manifested themselves in the maritime Conferences which have been held. It is enough to remind you that there have been unanimous protests from shipowners and protests from certain influential seamen's organizations on both points, and that there are indications that these protests will be renewed on the occasion of the next maritime Conference, which is to meet in October next. Moreover, with the adoption of the 'double discussion' procedure by the Conference, whereby questions on the agenda must come up at two successive sessions of the Conference, the difficulties will be multiplied if not intensified.

iii. Representation for the Treatment of Limited Problems.

It has now become clear, however, that maritime problems are not the only problems which may give rise to the kind of difficulties described above. The general provisions for representation in the Conference are more or less suitable according as the problem to be treated is more or less general. Where the problem is limited to a branch of industrial activity, or to the conditions of workers in a certain occupation (i.e. having a certain definite kind of skill or performing a certain definite function), or to conditions in certain geographical areas, more specialized representation might also seem to be desirable.

(It is true, as pointed out above, that the institution of technical advisers allows for the presence of such specialized representation at the Conference.) But there is a further difficulty. There still remain a sufficient number of general problems to keep the Conference busy for some time to come. Moreover, from now on, every year a crop of the Conventions previously adopted will reach the end of their ten-year period and will fall to be reconsidered by the Conference and possibly revised. In these circumstances it will be difficult to find time for the consideration by the Conference of limited problems of the kind indicated above, and yet some of these limited problems may stand in urgent need of international treatment.

Another difficulty is that these problems of limited interest may only be the direct concern of certain States. For example, problems relating to what is commonly called native labour are the direct concern of a few States possessing colonies: problems concerning the conditions of workers engaged in river navigation are the direct concern only of

riparian States, and varying settlements may be required for different international rivers and so interest different groups of States: problems concerning certain branches of industry or certain occupations are only of direct interest to the countries in which those branches of industry are carried on or in which those occupations are pursued. The groups of States concerned in one of these cases, while anxious for an international settlement, may feel a certain reluctance to have other States participate in the international settlement of a problem of which they have no experience and for the working of which they will incur no responsibility. Put bluntly, they fear that the workers' demands, which as a matter of bargaining may be pitched higher than practical and economic considerations would justify, may secure votes from other States not directly concerned who will be unable to appreciate the real difficulties involved. Such an attitude is understandable.

At first sight the solution would appear easy. Why should not the Governing Body, when problems of this kind demand solution, convene a special body, representing the interests and technical knowledge concerned, to draw up an international settlement, and then secure its transformation into a convention by a diplomatic conference convened for the purpose?

The answer is that, first of all, it is very doubtful if the Governing Body has any power to take such an initiative. The constitution of the Organization has provided in express detail the machinery for the adoption of Conventions on labour questions, and it would not seem that the Governing Body as the custodian of that constitution may set up extra-constitutional machinery.

Moreover, the constitution is more than just an ordinary

treaty, though it is to be found in a treaty. It not only creates obligations as between the States Members, but it gives guarantees to organized employers and workers of a certain participation in the elaboration of international Conventions on labour questions. There are a series of what we may call third-party rights which are not the rights of States but of other entities. For the Governing Body to hand on the adoption of a labour Convention to a diplomatic Conference of plenipotentiaries would be to deny to organized labour and organized employers the rights which the constitution of the Organization secures to them.

It has been suggested that, although the Governing Body may not initiate action of this kind, the Conference itself could do so. The workers' and employers' representatives in the Conference would then be parties to any such decision, and it could not be argued that they had been denied their rights. Moreover, one of the powers specifically given to the Conference by the Treaty is that of conferring new powers and imposing new duties on the International Labour Office (Art. 396). The Conference could therefore, it is argued, give the Governing Body power to convene a special diplomatic Conference for a specific purpose. This system is certainly open to less objection than that of action by the Governing Body on its own initiative, but it could be argued that even the Conference itself is not entitled to hand over the adoption of labour conventions to machinery giving less guarantees than those provided in the Treaty. The guarantees would be less because any diplomatic Conference, whether summoned by the Governing Body or on the instructions of the Conference, would be constituted by the Governments as they pleased. The Governing Body might invite them to send workers' and employers' delegates, but a difficulty would

arise about making them plenipotentiaries. If they were not plenipotentiaries they would not be on a footing of equality with the Government delegates: if they were plenipotentiaries they would presumably have to accept Government instructions, in which case they would not be really representatives of workers and employers. Moreover, the procedure of the Conference would not be governed by the Treaty. It would not be obliged to adopt Conventions by a majority, and, if it decided to require unanimity, Conventions which otherwise might have been secured might fail to be adopted. And lastly, any Conventions adopted would not have to be submitted to parliaments and might or might not be subject to the international supervision and possible sanctions as to their non-application for which the Treaty provides.

iv. The Solution of the Advisory Conference.

It is, however, possible to imagine another solution to which these objections would not apply with the same force.

The Governing Body might decide to invite the Governments interested in a given problem to come to a preliminary Conference, and might suggest that they send delegations including workers' and employers' representatives having the technical knowledge and the authority necessary as regards the question to be treated, i.e. instead of sending representatives from general central organizations of workers and employers they would send representatives from the sectional organizations immediately interested, e.g. from the seamen's organizations and the shipowners' organizations if it were a maritime question, from the glass manufacturers' associations and from the glass-workers' organizations if it were a question affecting conditions in glass works, and so on.

Let us assume for the moment that such an invitation were given and accepted.

This preliminary Conference would then discuss the problem before it and would attempt to arrive at an international solution in the form of a detailed proposal for an international Convention.

If it were successful it would ask the Governing Body to put the question on the agenda of the general Conference, and the general Conference, by a formal two-thirds majority vote could turn its text into a draft Convention involving all the obligations and guarantees provided by the Treaty.

Let us see what are the objections to a procedure of this kind.

There are no legal objections. The General Conference does not delegate any of its powers. It and it alone takes the official steps involving legal consequences.

The objections which may be made are practical. First, the Governments might not bring workers' and employers' representatives. But if they did not, it is certain that these representatives, having been refused participation in the preliminary settlement, would not regard themselves as committed to it and would be able to make their views felt at the general Conference and thus precipitate a discussion and possible amendments at that Conference which *ex hypothesi* the Governments concerned do not desire.

Secondly, there would be no obligatory examination of credentials at the preliminary Conference. The Governments might bring not genuine employers' and workers' representatives but their own nominees.

The same considerations apply. If they did so the genuine representatives would certainly appear at the General Conference and the Governments' object be defeated.

Thirdly, the national central organizations of employers and workers might object to the freedom left to the Governments to include in their delegations the representatives of sectional organizations. But the general national central organizations would be assured of representation at the General Conference, to which alone would belong the final decision. Moreover, it would be possible to secure the nominations of sectional representatives through the intermediary of the central organizations.

The real difficulty is to foretell what would be the action of the General Conference. It would of course be possible for it to amend the proposals of the preliminary Conference, and if it did so to any important extent the system would not be effective. It would, however, appear probable that if there were a considerable measure of agreement in the preliminary Conference the chances of its proposals being altered in the General Conference would be small. A two-thirds majority would be required to adopt either the proposals of the preliminary Conference or amended proposals.

If, for example, a preliminary maritime Conference had arrived at an agreement, that would mean that the most important maritime Governments were committed to its terms. It is difficult to measure the influence of a combination of two important Governments in the Conference when they want something done, but it is admittedly great. It is, however, almost certain that a combination of two important Governments when they are opposed to something will prevent that something securing a majority of two-thirds. If, to take an assumption, the principal maritime countries had agreed in the preliminary Conference, it may be regarded as certain that the General Conference could not carry a different solution against their will. On the other hand, it

would not follow that the solution of the preliminary Conference would pass automatically. If it seemed to conflict with the general policy of the Organization it might not get the necessary two-thirds majority.

The essential difference between a system of this kind and the method at present followed is that at present the delegations not immediately interested in a question are able to intervene at all stages and on points of detail: under the system described above they would in practice only be able to intervene on questions of general policy, the whole technical content of the draft Convention being worked out by the Governments and sectional interests concerned.

v. *The General Responsibility of States not directly interested.*

Two objections of principle remain to be considered. What we have called the sectional interests may ask why they should be called on to run the gauntlet of the General Conference at all, and countries not directly interested may ask why they should homologate decisions which do not concern them. We have seen already that constitutionally these two operations are necessary if the system indicated above were adopted, but it might perhaps be objected that a system which involved the play of constitutional obligations in this way was a mere device of procedure both artificial and cumbersome.

It is clear, however, that (a system of sectional conferences without some central control might result in the adoption of a series of contradictory principles which would lead to confusion, if not to paralysis.) The function of the General Conference might be formal, but its powers would always be in reserve to prevent any such possibility. It might never

have to intervene, but the possibility of its intervention would always be present in the minds of the members of the sectional Conference, who would thus automatically take account of general considerations.

The role of the States not directly interested in the questions dealt with by sectional conferences would be the role of guaranteeing this general check or control. Their presence and functions in the General Conference would be no more unreal or artificial than those of members from industrial constituencies in the House of Commons, when legislation concerning, say, agriculture or fisheries is under consideration. General control of sectional measures is a feature of all national constitutions, and the principle would seem as necessary in the international machinery as in the national.

As a matter of fact it is easy internationally to exaggerate the idea that there are non-interested States. The growing interdependence of States means that, while there are States with different degrees of interest in different questions, it is difficult to imagine questions which are of no interest at all except to the States which are immediately concerned. Take the example we have frequently taken in this discussion, namely, the conditions of labour on board ship: at first sight it would not seem to be of much interest to, say, Switzerland. But if the absence of an international settlement regarding those conditions were to result in such unrest in the shipping industry as to produce an international seamen's strike, it would be idle to pretend that Switzerland or other non-maritime countries would not be directly interested in its settlement. And if so, it requires but a small extension of the argument to prove that they are interested in any steps which might help to mould conditions in which such an eventuality

would be less likely to arise. That this is no imaginary example is shown by the fact that an international seamen's strike was with difficulty prevented after the failure of the Genoa maritime Conference to regulate internationally hours of labour at sea.

There is, therefore, a general justification both for the control of the General Conference over the decisions of sectional Conferences and for the participation of States, not directly interested, in that control.

vi. Other Problems of Representation.

We have discussed the idea of sectional Conferences as a means of enabling the Organization to deal with problems which, because of their limited interest, might otherwise not receive the international treatment they require. We have seen that it might also help to solve certain difficulties of representation which have already been experienced. There may, however, be other questions of representation in the future for which some such system may be required. The Organization is just beginning to deal with the immense problem of Native Labour. Its first approach to the problem must necessarily be very general, though even there there may be room and use for a sectional Conference of the Colonial Powers. But as we are talking about the future we can easily imagine a stage being reached in which the problem will be broken up geographically, when some question relating to a geographical group of colonies will need treatment. In such a case the proper representation for a technical treatment of the question would be representatives from the Governments of the Colonies concerned and from the interests in them. Such representation would be difficult, if not impossible, in the General Conference. But a sectional

Conference could be made up of delegations from each of the Colonies concerned, and thus the interests in those colonies could be given direct representation in the discussion of the solution which would be applied to them.

Since the General Conference adopts Conventions it is impossible to provide for delegations in it save from Members of the Organization—that is, from States capable of entering into international engagements. Thus colonies, by definition, are excluded. On the other hand, it is difficult to think of detailed international settlements being worked out in colonial matters without colonial participation. When problems of that kind come to be dealt with in the future it would seem that some kind of technical colonial Conference, having the same relation to the General Conference as the sectional Conferences discussed above, will be an inevitable development.

But there is not only the problem of the negotiation of Conventions. There is also the problem of their application. As the number of Conventions grows, and as they become more technical and more specialized, it will no longer be possible for the General Conference to exercise efficiently the powers of supervision given to it by Article 408. The difficulty is already apparent, and the Committee of experts set up by the Governing Body to digest the annual reports made by each Member on the Conventions it has ratified is finding that the detailed examination of nearly 400 reports, together with that of the legislation and orders to which they refer, has become a task beyond its powers. Is it not likely that here again there will have to be special Committees corresponding to different categories of Conventions, say a maritime committee for maritime Conventions, a colonial committee for colonial questions, and so on, with the general control of the

Conference always in the background to ensure as far as possible an equitable general standard.

In this discussion I have dealt almost entirely with possible future developments of the machinery of the organization. They are in most cases developments the beginning of which is already in sight, though it may perhaps be long before they are carried to the lengths I have indicated. We may, however, draw two conclusions from this consideration of them. The test of a living organization is its power to adapt itself to new conditions and new problems. The International Labour Organization has shown that power of adaptation, and we may expect that it will continue to do so as necessity may require. Many of these conditions and problems could not have been foreseen by its authors. But whether we care to credit them with instinctive international statesmanship or whether we allow simply that they builded better than they knew, we are left with the comforting conclusion that they gave the Organization a constitution based on principles which the experience of ten eventful years has not assailed, and one which, although it gives certain secure and definite guarantees, is yet capable of adaptation to new needs as and if they arise.

CHAPTER X

THE UNPREPAREDNESS OF PUBLIC OPINION

PROFESSOR C. DELISLE BURNS:

i. *The meaning of Public Opinion.*

THE mythology of social life is nowhere more obvious than in such phrases as 'public opinion'. The conception of an opinion which is shared is not unreasonable; but such an opinion is actually some one man's or the opinion of a very small group, which is accepted by great numbers, on whom it sits very lightly unless their emotions are stirred in reference to it. Probably it is 'public opinion' in most parts of the world that the earth is spherical; but the few who know why they think so would be burnt to-morrow if another few were able to excite an emotion against spheres. Even beliefs about natural phenomena are often results not of reason but of emotional attitudes: Darwinism succeeded largely because Darwin personified nature in phrases such as 'natural selection'. In social affairs 'public opinion' is always emotional because such issues touch us nearly; and indeed the word 'opinion' is obsolete as a description of the factors to which the phrase is intended to apply. Opinion seems to imply thought or ideas; but what is referred to is a 'mental set' or attitude or *hormé* which is, in the modern psychological jargon, motor-affective. That is to say, certain groups of men, women, and children have an emotional tendency to react in a certain direction: a mental structure is formed out of the minds of many persons in contact, which may cause action along certain lines to be taken by crowds of men and may prevent action along other lines. But since in politics

the instrument is man, politicians keep themselves aware of such mental structures or 'sets'; and we too, who desire to increase the chances of peace, have to study the forms taken by contemporary mental tendencies. We must not be misled by an antiquated terminology. If it were a case of 'opinion', then argument or clear ideas would be the best means of affecting these tendencies; but since it is largely a case of emotional excitability, the presentation of highly coloured pictures or the stirring notes of a drum may be more effectual. Our problem arises from the fact that the appeal of scenes and sounds connected with war are traditionally and by heredity most attractive; and no such attractive scenes or sounds have so far been devised for alternatives to war. Not the arguments but the emotions which tend to peace are weak. But if our first step must be to recognize that an emotional 'set' and not an 'opinion' is what is important, our second should be to make certain what we mean by 'public'. In any large group of men such as a nation there are many 'publics'. In normal times the whole nation does not react in the same way, for one group is interested in dog-racing, another in cinemas, another in 'the sales', another in the opposite sex, the majority in nothing particular, and one small group in international affairs. The 'public opinion' on housing is formed and maintained by those who at the moment have a grievance about housing, and a few 'experts' who cannot think of anything more interesting to think about. Similarly, the public opinion on drink or horse-racing is the attitude of a small group. And such public opinion as exists in any nation with regard to international affairs is the mental 'set' or attitude of another small group which, for one reason or another, happens to be more or less continually interested in peace or alarmed about the dangers of war. The

small group which embodies public opinion about peace and war in normal times is surrounded by large numbers whose mental 'set' has no reference to such issues. In normal times politicians, even those in control of the Government of the day in any country, will attend to the 'public', which is this few who are interested in international affairs. No one else says anything about peace. Those who love dog-racing go to dog-races, not to Foreign Offices. Those who want drink ask questions about the price of beer, not about the Abyssinian frontier. And so the lovers of peace have it all their own way—in normal times, as even a bad seaman may hold the tiller when there is no wind. The ship of state moves peacefully when there is no difficulty with gales or currents. So in 1913 the majority of those who thought about peace were very cheerfully counting the increase in the number of Treaties of Arbitration and international Conferences. And in July 1914 the wind rose. Who held the tiller then? Perhaps no one. Perhaps the tiller flew out of the hands that had held it; but in any case the 'public opinion' in favour of peace was ineffectual.

At the moment of emotional crisis in every nation, the small group which had been interested in international affairs was swept aside by the more numerous groups of horse-racers, cinema-goers, and worthy men and women who had never thought of public affairs at all before. Even painters and poets began to indulge in political theory in August 1914. The ships of state were no longer kept to a course, but veered or set their own courses: and in every nation the 'public opinion' of the small group which had been following international developments was disregarded in the emotional 'set' towards war, adopted by the great majority. The complicated problems of diplomacy were reduced to simple pictures

of a dog-fight or a horse-race, in which the other side existed only to be beaten. In a few weeks it was unpatriotic to suggest that anything was to be decided but which dog was to win the dog-fight. And that situation was not new. It had recurred many times in history.

There were men working for peace long before Crècy, or Jena, or Waterloo, or the Franco-German war, or the Russo-Japanese war, or the Spanish-American war, or the Boer war, or the war of 1914.¹ Why did they fail? In every case because they had no control of public affairs at the moment of crisis. But the reason why they lacked power at the crisis was probably different in different cases. In 1914, at any rate, the most obvious cause was that those who were opposed to war were unprepared. They were small groups in disagreement among themselves, some extreme non-resisters, others free traders, others arbitration advocates, others 'workers of the world' uniting. And most of them were out of touch with day-to-day policy, without the power to frighten politicians by organized opposition to war, and without ability to make themselves intelligible or attractive to the common man. If one really wants to work for peace, one must avoid vegetarianism and sandals—however admirable these may be; for even now, in the minds of thousands of common men, the chief difficulties about peace are the cranks who advocate it. In August 1914 the advocacy of peace sounded like the appeal for 'the simple life' from a long-haired rabbit accustomed to sit on the back of his neck.

¹ Cf. *Manchester Guardian*, 'leader', 5 October 1911. 'If present tendencies continue unchecked the disaster to European civilization of a war between England and Germany will certainly come. . . . Nothing can ward off the danger but an active policy of reconciliation.'

ii. *Present Preparations for War.*

The problem for consideration now is whether 'public opinion', or the mental set of the small group continuously interested in the maintenance of peace, is prepared to withstand the emotional effect of another crisis. Are those who are working for peace strong enough to retain control of national policy in any great nation, if war is felt to be possible? Are they even aware of the immense drift which has been going on for ten years towards the old rivalries? While the League of Nations has been in operation, old-fashioned diplomacy has flourished, armaments have increased, and a new generation has been affected by the old mythology of nationalistic history. It is worth while, therefore, to review the obstacles which 'public opinion' would have to overcome in order to be 'prepared'. Mere advocacy of peace is no longer adequate: we must 'take the offensive' against all forms of action and thought based upon the rivalry of national forces. The time has come to speak plainly about the 'defensive' measures of admirals and generals and air-marshals.

The advocates of peace are in a much more favourable position now for controlling the tendencies to war: but are they yet powerful enough for their influence to survive a crisis? We are now more than ten years from the Armistice, and men and women who are now twenty were barely able to read and write then. How can they be expected to understand the strain of the four years of war? And in the ten years old habits have revived.

The States of the world stand armed; and, as before 1914, the efficiency of 'defence' progresses every day. Expenditure on armaments has steadily increased, especially on the part of the Great Powers, who promised in 1919 to make German

disarmament a first step towards their own. President Hoover, on 23 July 1929, made a Statement that 'the current expenditure on the strictly military activities of the Army and Navy of the United States constitutes the largest military Budget of any nation to-day, and at a time when there is less real danger of extensive disturbance to peace than at any time within half a century.'¹ In Great Britain we are paying about three-pence out of every shilling of our taxes in preparation for another war. France and Italy and Japan are expending about the same proportion. But even if expenditure were less, the efficiency of destructive forces is much greater. Bombing aeroplanes are much more powerful now than they were in 1918: they can travel farther and carry more bombs. Every year in England and France there are aircraft displays to show how much more effective warfare has become in the past twelve months. In August 1928, within a month of the signing of the Kellogg Pact, there were manœuvres of British bombing aeroplanes over London and of French bombing aeroplanes over Paris. But obviously British bombing aeroplanes are not practising to bomb British towns, nor French aeroplanes to bomb French towns. What, then, can they be doing? What is called self-defence? The British Air Ministry proposes to set up a new aerodrome near Oxford: whereupon professors protest that Oxford buildings may suffer for it in the new war. And every one knows that civilians, babies in arms as well as fiery old gentlemen in clubs, are much more likely to suffer in the next war than armed men in trenches. But every day new brains are devoted to planning new attacks by air or new devices to make such attacks more paralysing to 'the enemy'. And military aircraft are exported by France, Italy, and Great Britain so that the more 'ad-

¹ *London Times*, 24 July 1929.

vanced' nations shall not have the monopoly in slaughter. There was a protest from *The Times* aeronautical correspondent against the refusal of licences to export such aircraft, in which he wrote that the 'market' would not be *our* enemies, but the South American and Danubian States—as though it did not matter to us who was killed with our assistance if it was not ourselves! ¹ Poison gas is more deadly now than in 1918. There are new gases and new ways of using even the old gases. Every great State is spending much money on experiment in new poisons; and the United States Government has advanced much farther in its ability to use gas warfare since 1918 than in its ability to counteract it. The medical officer of the Anti-Gas School at Chatham urged on Health Authorities, in June 1924, that, as regards children, 'instruction in personal defence against gas should occupy a definite place in School routine. . . . Inspection of primary schools should always include anti-gas instruction.' ² 'Municipal dug-outs', the good man advises, should be at once prepared. Indeed, this is more 'practical' than marching about in an O.T.C. Clearly poison gas would not be distributed over foreign territories except in self-defence; and it has been officially declared that what each Government thinks is self-defence *is* self-defence!

These increases of efficiency in destruction are not natural growths, like trees: they are the results of deliberate devotion

¹ *The Times*, 23 March 1926. 'Several speakers in the House of Commons were under the impression that it was proposed to sell British aircraft to *possible enemies*'. . . . But this is not so . . . 'The smaller Powers of Europe, the South American Continent, and possibly China and Japan, are the chief export fields for aircraft.' The further argument in the same article implies that the British manufacturer will 'dish' the foreigner by experimenting on him so as to make better bombers for us!

² For the whole speech see *Daily Telegraph*, 6 June 1924.

of human intelligence to improvement in warfare. Young brains and young energy in all nations are being spent on the old tricks. Many more able young men are employed by each War Office than are employed in all the League services.

The preparations for future war are not only material. Fear of neighbours and the sense of anxiety are being cultivated; for the expenditure on armaments cannot be maintained unless those who pay taxes are periodically frightened. But the art of keeping a nation 'jumpy' is very skilfully practised nowadays; for we do not hear the crude old nonsense about 'vital interest and honour'. We hear of danger to our food supply, if we are British, or the blockade of our commerce, if we are American, or the possible bombing of our simple and peaceful peoples, which must be prevented by bombing the other fellow first! Thus 'defence' is made possible by increasing the danger against which we are supposed to prepare: and the more patriotic a speaker is, the more frightened he must be for his own skin or his wife's.

Preparations for war are made by spying on possible enemies. The French Government keeps spies in the Rhineland and in German factories: ¹ and no doubt the German Government returns the compliment. Great Britain spends about £200,000 a year on 'secret services'.

The training of the new generation in the attitudes useful for war is proceeding apace—of course, only for defence. The State Universities in the United States provide military training; the War Offices of all nations are much more active in training the young than they were in 1914. The O.T.C. in Great Britain, organized and financially supported by the War Office, not the Board of Education, pretends to be educationally useful, and is in fact maintaining the muddled

¹ See *Manchester Guardian Weekly*, 2 August 1929, for details.

idea that to prepare for War is a sort of 'lark' and also a noble civic duty. In countries with conscription, although most of the population hates it, every one feels that it is unpatriotic to say how much disease is spread by barrack life and how much youth wasted which might be useful in industry and thought. Thus by preparation for defence the youths of a new generation are having their minds 'set' in the direction of war.

In Italy the Boy Scouts have been replaced by the 'balillia', with little swords and guns: and, with its usual lack of any sense of the ridiculous, the Fascist Government has now forbidden booksellers in Italy to sell the works of Jack London, Tolstoi, or Dostoievsky, on the ground that they favour 'humanitarian sentiments'. Those in control in Italy seem to believe that blowing men to bits with high explosive, or being so blown, is ennobling: and they will perhaps introduce head-hunting as more manly than football. But they are only more plain-spoken, not more mistaken, than the sergeants who drill boys in British public schools or French barracks or American Universities. Such people really believe that it is a noble duty to practice jabbing men in their bellies with bayonets. In a world of gas-bombs and aeroplanes, marching about with little bayonets is silly even as preparation for war: but the mind is being 'set' towards the old futilities. Some like the process: and those who do not are persuaded that they must endure duties which are disagreeable. But even the admirals, like Bottom the Weaver, can roar 'like any sucking dove' so as not to frighten the ladies. Thus Admiral Madden, First Sea Lord in 1928, said at University College, London: 'Not always by our own will, we had been given mandate after mandate.' Poor John Bull! No one should ever have said that although he does not shake the tree, he generally contrives to be underneath when the apples are

falling. The Admiral continues: 'To meet our increased responsibilities, from a naval point of view, we possess a smaller Fleet than we have had for a great many years. He did not make that statement with a view to any complaint . . . we had only one fleet now and it might have to operate in any part of the world—not of necessity in a war-like sense, but possibly only to use its influence.'¹ The report of the speech does not announce 'loud laughter': and in Great Britain it is still regarded as unpatriotic to laugh at admirals. 'Guns are not going to be fired by the navy! Not at all! The captains and midshipmen will 'use their influence'! The ladies need not be frightened! But there is an example of 'influence' in history. Mr. Churchill, in his *Aftermath*, reports that in June 1920 'Some moral assistance—in the shape of gun-fire—was given by the British fleet, officially engaged in rescue work', in preventing the Soviet Government forces from entering the Crimea by sea.² And, by way of showing what the Admiralty can do, in September 1919: 'A flotilla of motor-boats from the British blockading squadron in the Baltic broke into the harbour of Kronstadt and . . . apparently on the sole initiative and authority of the Admiralty, sank two Russian battleships in the inner harbour'—without being at war with the Russian Government.³ We called it a 'sanitary cordon' then: we shall call it 'League sanctions' perhaps to-morrow.

iii. *Excuses for War Preparation.*

Combined with preparations for war, which make war itself more likely, is the innocence or ignorance which offers fantastic excuses for this preparation. It is seriously believed

¹ *The Times*, 19 October 1928.

² *Aftermath*, p. 260.

³ *Aftermath*, p. 255.

that war can be 'outlawed' and each nation left to defend itself at its own sweet will and without reference to what other nations think is self-defence. Mr. Kellogg, a new Protagoras, announced that 'the Government is the measure of all things—of defence that it is defence and of what is not defence that it is not!' And no new Socrates dare point out that each of two Governments might think it was defending itself when the other thought it was being attacked. In private life one has to show reasons to a judge to prove to him that what one thinks is self-defence in killing a burglar is self-defence: but Governments are the measure of that which is!

Mr. Borah accepts the view that war is no longer a legal method; and he proposes to codify the laws of neutrality and belligerent rights. Presumably the United States, in his opinion, must retain her right to trade with both belligerents, if both are defending themselves and neither is being attacked; or is he assuming that if one nation is being attacked the United States must still retain the right to judge for herself whether she will trade with the attacker whom she has outlawed? A fantastic legalism leads men to imagine that they have solved a problem when they have passed a law about it: and it is still believed in each nation, but most dangerously in great nations, that your own sense of virtue is a justification for your neglecting to consider what other people think of your action.

But the tendency to war which would be most amusing to a cynic is that which is supported by advocates of the League of Nations itself. Some advocates of peace look to overwhelming force as the basis of peace. They call the war which might occur under Article 16 of the Covenant a 'League war' or an 'international war' or 'police measures'. Some pacifists

are so bellicose that they actually make plans for receiving help from the United States when the League goes to war. Now, in the first place, war is the breaking of men's bodies and minds with explosives and poison gas: war is deceit called strategy, lies called communiqués, and insane passion called righteous indignation—whether we say that any war is international or not. All war is futile—even a League war; and the preparations or plans for a League war are just as likely to destroy civilization as the old war of Allies against Allies. Does any one in his senses believe that a people which is crushed by the overwhelming forces of the rest of the League is likely to regard defeat as a proof of its iniquity? A League war would leave more resentment behind it than a 'private' war, because of the indignation of a vanquished people at being treated as criminals. Calling old games by new names is a trick for catching the innocent. If the League system were used for war, it would go to pieces; and it would deserve to go to pieces. But the whole conception of a League war seems to many of us a mere fantasy—hardly worth discussing.

Secondly, the mere existence of an excuse under the Covenant for the continuance of armaments is an obstacle to their reduction. Generals and admirals are quite willing to be advocates of the League, on the understanding that their method of dealing with difficulties is to be followed. In the Aircraft Display at Hendon, in July 1929, the plot of the piece was based on the idea that a nation was an 'aggressor', had refused arbitration, and therefore could be bombed with righteous enthusiasm. Advocates of the League system actually applauded aircraft playing at the torture and death of men in the name of international peace. The *Manchester Guardian* rightly noted that 'in future it must be an under-

stood thing that in all military or naval demonstrations one side—the side that is going to lose—has flouted the League. . . . Pacifically minded people could reflect that in raining bombs on a country which had failed to await the decision of the League, the Air Force was performing a positively pacific act. . . . Then at last will the military man be satisfied that they have given satisfaction to the pacifist. They will pledge their enthusiastic support to the League—if only the League will allow them to express their support by making war for it.’¹

A French official plea before the Mandates Commission with regard to armaments in Syria was that Syria must have enough force to ‘fulfil obligations’ under the League Covenant. The opponents of disarmament in Holland and Denmark used the argument that arms must be retained to help in a League war. Thus Article 16 of the Covenant is an actual obstacle to disarmament and therefore to peace.

This view is, of course, entirely ‘unofficial’ and commits no one but myself. Nevertheless, it is the view of an increasing number of critics of the League system. No one denies that the ‘security’ of any nation against invasion is of interest to all nations, and that there would be a moral obligation to assist any Government as unjustly attacked as, for example, the Turkish Government was by the Italian in the Tripoli war. What is denied is that we can arrange beforehand for economic or military force to be used against an entirely hypothetical member of the League which ceases to be a member by breaking the Covenant. The League *cannot* be made into a means of military defence for any nation—whatever the French or the Poles or the Czechs may like to imagine. For if in the very association of members each member is to regard every other as a potential criminal against whom each

¹ *Manchester Guardian*, 16 July 1929.

is to use force, then the whole atmosphere is poisoned and the League Covenant is simply a polite form of words to hide the reality, which is precisely the old international anarchy. We may be quite willing to fight any one; but we should not imagine that to be an attitude consonant with the League system. Indeed, if in fact it came to a real fight between, for example, Hungary and Czechoslovakia, either the League system would have no applicability or—the League would explode into a conflict between two groups of Allies as in 1914-18.

iv. *The Confusion of Public Opinion.*

The refusal to face such disagreeable possibilities makes the advocates of the League system helpless to overtake the actual growth of alliances in preparation for war. But the situation is even worse than that would imply. Public opinion is still so confused, men's attitude towards war still so unsettled, that excuses can be offered by officials in the name of 'public opinion' for avoiding any movement towards peace. Some politicians mean by 'public opinion' only the tendency towards war, not that opposed to war. For example, Mr. Churchill, recounting the opposition to an adventure in support of Poland in 1920, says 'Public opinion in England and France was prostrate. All forms of military intervention were impossible.' And yet on the next page he says: 'the British Labour Party had developed a violent agitation against any British assistance being given to Poland'—which implies either that Labour Party opinion was not public opinion or that being peaceful is being 'prostrate'. But the most fantastic senses are given to the phrase 'public opinion'.

An analysis of what is referred to normally as 'public opinion' shows that it is in part the guesses of journalists as

to what will 'sell' their papers, in part the vaguely felt attitudes of the social group one lives with, in part the other fellow's excuse for doing what I do not want him to do, and in part my own explanation of the actions I do, for which I can think of no better reason than that 'public opinion' compels me to do them. When the British Foreign Office replied to the questionnaire of the League Commission on Arbitration, in February 1928, and wished to indicate that it did not feel inclined to go forward, it wrote that 'public opinion' would not allow it to go forward. When M. Briand at Geneva, in September 1928, wished to indicate that the French Government was determined to keep troops in the Rhineland, he said that 'public opinion' would not permit him to remove them.

At the last meeting of the Council M. Briand, as Chairman of the Conference of Ambassadors, presented a Report to the effect that Austria constituted a military danger. A section of a Report as old as 31 January 1928 was published as an Appendix to M. Briand's letter of 5 June 1929 (in the League document C. 247, 1929, IX) saying: 'Austria would be incapable of waging war. This state of mind, however, may change in future under the influence of violent currents of feeling, whether from abroad or within the country. Austria might then prove a by no means negligible adjunct to any belligerent country.'¹ It would be impolite to say that these phrases are dishonest, that they are used to cover the old policy of rival forces, that there is no real effort to transform the relationships of nations by the use of the League system. But it is enough to say that such an attitude of mind, officially expressed, neutralizes the efforts of those who are

¹ A cynic may note that this section does *not* appear in the League's official journal.

working for peace by reviving old suspicions and old fears; and if the fears and suspicions are, after all, well grounded, then the danger of war is even greater than it has been assumed to be in the preceding argument and the unpreparedness of public opinion still more obvious.

Lofty speeches at meetings of those who are already 'converted' make no difference at all to the violent Nationalism outside, to which leading Statesmen in all countries sometimes give their support. Nationalism survives and obstructs the work for peace, in the prevailing ignorance of each nation with regard to other people's view of its policy. And when a foreign view of our own Government's policy is made available, the normal reaction is resentment or at least a virtuous indignation at being misunderstood. No English history of the war emphasises the resentment of the Dutch at our stopping of their ships in the Pacific—ships trading with their own colonies. No English history of the peace emphasises the view taken in Central Europe of the continuance of the blockade after the signing of the Armistice. The United States Congress resents the suggestion that any other Government should have a 'say' with regard to their tariff policy. The French people are indignant when any foreign Statesmen suggest that they should pay their debts. The vast majority of men in all countries are still thinking within their own frontiers, as though within them were all the world that matters.

And short of Nationalism, even advocates of the League system remain ignorant of views of the League maintained by other groups in other nations. Many British advocates of the League seem to assume that their view of the League is the only right view and that the French or Scandinavian or German or Polish view is unjustifiable. It may be. There is

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a wrong and a right view; and contradictories cannot both be true, even in international amity! But apart from mistaken views, the success of the League system depends upon Geneva not being regarded as an out-house of the British and American Y.M.C.A. There is still hostility to any international co-operation, as appears in M. René Benjamin's new book, *les Augures de Genève*, in which the author's abuse of all things German and childish ignorances of everything outside Paris indicate how strong traditionalism is among those who are proud of their culture. But it is quite possible for the Germans, for example, rightly to value the League system as a means of redressing grievances in the future, while the Czechs, for example, regard it as a means of presenting their case against a change of frontier. The trouble at present is that every Government praises the League, and no Government will allow any other to use the opportunities it might provide. M. Benjamin's gibes at workers for peace are unfair; but he is right in revealing the large amount of camouflage and hypocrisy which is to be found on Commissions of the League. Resolutions by 'experts' are futile, while Governments pursue the old methods of financial diplomacy, naval agreements, military alliances, and tariff controversy.

v. *The Preparation of Opinion for Peace.*

Such a review of the obstacles with which a policy of peace has to contend indicates how unprepared 'public opinion' is, either to sustain a struggle against warlike tendencies or to retain control of policy if a crisis should arise. A few well-intentioned lecturers and their audiences; too many small societies and groups, disagreeing among themselves even if they are all vaguely opposed to war; vague speeches about peace made by Statesmen who strenuously support armaments

and alliances; and a rapidly fading memory of past distresses due to war—all these do not make a great political force in the world. It is foolish to be disheartened; but still more foolish to be blind to the facts. The tendencies against which we have to contend are very old, very strong, and very deep-set, under all the polite wishes for a co-operation between nations. Something has indeed been accomplished in the past ten years which has never been accomplished before—war is now regarded as at least regrettable. But the public opinion of every nation is still quite unprepared for peace. The possibility of making ‘public opinion’ better prepared to meet a crisis or to overcome the continual drift towards war is dealt with elsewhere. Here it remains only to note the form such preparation may take.

The international situation changes from week to week; and it is sometimes quite peaceful in some parts of the world while in other parts there is a danger of war. But on the whole the situation is much better in August 1929 than it was a year ago. There are obviously still clouds on the horizon, but in those regions where great storms arise the sky is clear. And yet we must be on the alert. For example, on 8 May 1927, *The Times* said that Imperial Airways had received an order from a Sunday newspaper to provide machines for a flight to Rumania, and that same day the Home Secretary in the House of Commons said that ‘Prince Carol must do nothing here which would involve us with friendly nations’, thereby hinting a *dénouement* to a little plot which might have made war between Hungary and Rumania. That plot was discovered in time.

We must not be led, however, into a too facile optimism. The tendencies towards war are still very strong; and it is not necessary to point to Balkan States or Russian policy in the

East or the alliance of Italy and Hungary in order to find possible culprits, for there are aspects of the policy of the United States and of Great Britain which may lead to war, even if they are not so designed. The great naval Powers are leading in the general increase of armaments and in their expenditure on new forms of chemical warfare; and they are accused by foreign writers of hypocrisy when they propose to 'defend themselves' in Nicaragua and Egypt.

The prevalent idea among advocates of peace is that they can have what they want without offending any one. Many of them go out of their way to be polite to admirals and generals. It is pathetic to hear the advocate of peace 'leaning backwards' in his assurances that not a gun nor a ship shall be sacrificed, while the very admirals on his platform are shedding ships in the hope for more efficient bombing-planes. No member of a Society for the League of Nations dares to say that his own Nation could begin to reduce its arms. We are all careful to point out that the foreigners must begin. *Que messieurs les Assassins commencent!* And this is not merely prudence: we are not really so well skilled in being careful. We speak so because most advocates of peace really do believe that the dangers of war come from other Nations than their own. Very few understand that their 'defensive' weapons are a threat to other Nations and therefore a cause of war.

Every national Society which advocates the League system calls itself Non-party, by which most of the members mean that it would not hurt a fly; and so, by way of reducing the play of Party politics, we balance nicely the proportion of the Parties within the Society. The fantastic idea still survives in quasi-educated circles that in any Nation the Parties are agreed on foreign policy, which in practice is assumed to mean that all Parties are conservative or at heart nationalistic.

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What is needed for adequate preparation is a complete transformation of the assumptions on which rest our reactions to contact with foreign peoples. The ideal of service of the State or of citizenship is still primitive. Official pageantry is still in most countries military: the heroes of history are still the warriors: and serving one's own country is still too often identified with contest against another country. The changes which have in fact taken place since the war have not cut deeply enough into the old attitudes. It is generally agreed now that war is undesirable, but there is not yet any general appreciation of what an alternative would involve. We keep our arms and our strategic plans. [We do not want to get drunk, but we keep a good supply of drink]

The political thinking prevalent in most countries is childish or primitive. Citizenship, crudely conceived, is still more crudely practised. It seems, therefore, that education of some kind is necessary. But education in schools is always about ten years behind the times. In 1929 we are teaching in the schools some of what would be quite useful now if it had been taught in 1919. And if education in 1890 had been what it ought to have been, the political passions of 1919 would have been somewhat less crude. We need not inquire when Mr. Lloyd George or M. Clemenceau left school; but they and the other little boys in the classes of their time wrote the Versailles Treaty. Other bright little boys and girls in schools to-day will have to write Treaties in 1950 with the silly ideas they are now imbibing. And even good teachers are better at giving the pupils ready-made thoughts than at making them think for themselves. However, education in schools, with a new history and a less ridiculous geography than is now common, may create a public opinion in 1950 which will be 'prepared'. But we cannot afford to wait so

long. The fundamental need is adult education. But adult education is not a mere patching of the deficiencies left by school education. To teach men and women of forty and fifty where Czechoslovakia is and to inform them that not all civilized people think in English may be regrettably necessary; but it is not the education of adults, it is the coaching of overgrown children. The real education of adults is the free and full discussion of contemporary problems in the light of all the relevant factors.

There are many problems of politics and economics and social life generally which are quite unintelligible for children—not because the problems are difficult, but because the experience which gives a meaning to the problems is lacking. How can a normal child understand the irritation of parents or the vagaries of the sexual impulse? And do we really expect an eleven-year-old class to grasp the danger of a French loan to Rumania? Of course children can learn to be kind and to understand that Tooting is not Timbuctoo; but peace and war depend upon somewhat more complicated issues than those which can be envisaged in a schoolroom or even in a University class-room. If we treated health or navigation as we treat peace and war and only thought about them in a crisis, we should all be dead. But it is quite possible to give adult men and women a grasp of the fundamental issues of banking policy, commerce, transport, public health, and rival armaments. The mystery which surrounds 'experts' in these matters is largely a fake: the 'augurs' of Geneva are honest by comparison with the augurs of diplomacy, of armies and navies. The first need, then, is to clear away the accumulated rubbish of jargon and mannerisms which makes the common man believe that a peace policy is difficult to understand. And then we can build on the clear ground. Each

Government remains directly under the influence of the expectations and impulses of the people over which it has jurisdiction. Each people expects its Government to do some good for it, to defend it, to preserve its food supply and its wealth. But no people as a whole, and perhaps no powerful group in any nation, expects its Government to be an instrument for the advantage of other peoples, or even to avoid deliberately anything which might injure other peoples. And yet this is the only possible basis for permanent peace—the mental ‘set’ or emotional tendency which implies the assumption that beyond our frontiers is a market and not an armed camp: that assumption is the only possible basis for peace. All policies of ‘security’ by force of arms imply the armed camp as a dominant conception and are therefore opposed to peace. But a market is not merely a place for the exchange of goods, as the Roman forum and the Athenian agora may remind us. A market is also an exchange of ideas, upon which civilized life depends.

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